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NORDIC NUCLEAR-FREE ZONE WOULD HAVE TO INCLUDE PARTS OF USSR

LD1211111 Copenhagen BERLINGSKE TIDENDE in Danish 5 Mar 81 Part 1 p 10

[Editorial: "Nordic Nuclear-Free Zone"]

[Text] There is nothing new in attempts from several sides to discuss foreign policy questions in the Nordic Council. The initiatives for this generally originate with parties and politicians who adopt a critical or negative approach to the security policies which the Nordic countries individually pursue. For this reason it is easy to understand that among the majority behind the policies in the individual countries there could be a desire to justify a rejection of what in reality is an attempt to disturb the elements in the Nordic countries' security policies, which together are called the Nordic balance.

However, there are hardly any prospects of a fruitful foreign policy debate on a subject which lies outside the Nordic Council's area of competence. This also applies to the old question of a Nordic nuclear-free zone, which occasionally surfaces in partly new guises--all deriving from the almost 20-year-old Kekkonen Plan.

Most recently the debate has been fanned from Norway although in a form which at least initially created confusion over the motive behind the attempt to reanimate the debate on a Nordic nuclear-free zone. However, it is natural to see the Norwegian discussion in the light of the rift which became apparent within the Labor Party in connection with the decision on the contingency stockpiling of allied materiel for use by possible NATO reinforcements in a crisis or war situation. The announced support for the principle of such a nuclear-free zone served to convince stockpiling's opponents and others of the Norwegian Labor Party government's desire to continue to adhere to the policy of detente and to support the idea of new initiatives for disarmament or arms control.

However, as former Foreign Minister K.B. Andersen has so rightly pointed out, it is really a shadow debate if it is not emphasized with full clarity that a Nordic nuclear-free zone in the present circumstances must include areas outside the Nordic countries--and in practice this would mean parts of the Soviet Union.

The Russians have never been willing to enter negotiations about any such proposals, and there are no signs that they have changed their minds. However, on the other hand Moscow would be very pleased to see Denmark and Norway committing themselves

to an undertaking never under any circumstances to allow nuclear arms to enter their territory. For the two Nordic NATO nations such a step would mean that they had isolated themselves from the common NATO strategy, which in order to achieve the full deterrent effect envisages the possibility of using nuclear arms in the event of an attack on NATO.

Both the previous and the present Norwegian prime ministers have shown that they understand this clearly, and even Prime Minister Anker Joergensen's warning against "militarization" contains no acceptance of plans to weaken ties with NATO, which is what isolated approval of a Nordic nuclear-free zone limited to the Nordic countries would involve.

CSO: 3106

COMPREHENSIVE ANTI-TERRORIST CAMPAIGN CONTINUES

DEV-SOL Investigation Reveals Guns, Drugs

Istanbul HURRIYET in Turkish 19 Feb 81 p 13

[Text] Operations by the Istanbul police have revealed that the illegal DEV-SOL [Revolutionary Left] organization engaged in extensive heroin smuggling as a means of financing arms procurement. The organization, which has now been largely dismantled, ran a private brothel in order to get money and established close relations with the Bulgarian government through underworld "fathers," according to the police. A statement made by the security directorate yesterday revealed that the leaders of the organization, who had luxurious homes in Istanbul where they hid their "hit men," also opened luxurious offices and thus conducted their activities under the guise of "businessmen."

Pointing out that the illegal DEV-SOL's basic beliefs were "crime" and "corruption," the authorities said, "This organization killed 101 persons in Istanbul. Now 1,370 of the organization's militants have been arrested and turned over to justice." It was stated that the organization's administrators targeted police stations in order to make the state appear powerless and to increase pressure on the public.

The operations also revealed that the illegal DEV-SOL, whose goal was to change the constitutional order and establish a "Marxist-Leninist proletarian dictatorship" through escalating terrorism, also set up "hit squads" under the name of "teams for the armed struggle against fascist terrorism." The "hit squads" revealed during questioning that they had received weapons training and shot without mercy the persons designated as their targets by the leaders. The hit squads also reportedly carried out such actions as bombings, shootings and burning cars and forcing people who did not think as they did to "migrate," at least from that area. It is understood, meanwhile, that another group which was responsible for raising money by threatening businessmen and people in the city turned over almost 3 million liras per month to the top level administrators of the illegal organization. Noting that this was not the only source of income for the illegal organization, police authorities said, "Huseyin Solgun, a member of the illegal organization's central committee now under arrest, established contact with certain underworld figures and obtained 4 kilograms of heroin. He sold this abroad, bringing the organization a great deal of money. They later bought weapons to arm the organization from Bulgaria and other nations with the money acquired in this way."

The illegal organization's top administrators, who, in addition to smuggling narcotics, also ran a brothel according to the police, lived luxuriously on the money they acquired by these methods. The luxury homes rented by the illegal organization's leaders in Levent, Etiler, Sisli and Bebek were furnished with luxurious sitting room and bedroom suits all of which were found to have come from Europe. Rental on the luxury homes was in excess of 40,000 liras per month and, in order to give themselves a "businessman" image and not attract attention, the organization administrators freely distributed bonuses and tips to their doormen and service people. In addition to all this, DEV-SOL leader Sursun Karatas rented a luxury office in Sisli and directed all actions from there as though running a "marketing company." Another organization administrator Huseyin Solgun also rented an office with two secretaries in Sishane and conducted the organization's foreign contacts from there. The organization also bought ostentatious, luxury automobiles to use for transporting arms and smuggling narcotics, police said, and these were seized by police.

Istanbul Divided into 6 Zones

The illegal DEV-SOL organization divided Istanbul province into 6 zones, each with a responsible officer and committee, it was announced. Committees were said to conduct intelligence on security officers living in the zone and give orders to "hit squads" for killings. The documents seized in the search of organization administrators' homes and offices revealed that the "hit squads" were being expanded and that efforts were under way to make them into "Armed Revolutionary Units" to be used in "guerrilla" warfare. The number-two man after top leader Dursun Karatas, Pasha Guven, was the "foreign officer," a person named Tuncer was "civil servant sector" officer, and Huseyin Solgun was responsible for the "worker sector" and "local units." A Law Faculty student, Sinan Kukul, reportedly directed "middle and higher education organization" and also perpetrated terror by forming "hit squads."

Tarik Kocaoglu, a student at the Istanbul Technical University Electricity Faculty, was a member of the hit squads which killed 101 people in Istanbul, including former Prime Minister Nihat Erim, and said in his statement, "I understood later that they were misleading us and using us like pawns. When I learned that Yasar Tumay, whom I had killed, was not what I had been told but was an ordinary rightist and that the Spor-Toto seller in Sisli was an RPP member, the world came crashing down around me. As for the killing of the Erkenez brothers, it was a massacre. I was later filled with remorse for what I had done, but we went from job to job. By then I was on a road from which I could not turn back."

Organization leader Dursun Karatas, however, said in his statement, "The murder of Nihat Erim would prompt reactions abroad. It would be stressed that the state could not even protect a former prime minister and the hold of terrorism on the people would be strengthened. Besides this, by raiding the police stations, we showed that the security forces were helpless and thoroughly destroyed the people's confidence in them."

It was announced that following the seizure of the illegal DEV-SOL's administrators, other administrators came from abroad and went to work trying to prevent the collapse of the organization and that their identities were learned also.

Authorities described as follows the organization and development of the illegal DEV-SOL:

"The organizations which had been wiped out by the operations following 12 March began to revive after the Amnesty Law was passed later. The illegal organization militants, once they were free, took advantage of loopholes in the Associations Law and formed small associations at first. These associations later combined under the name 'Higher Education Cultural Association.' Still later they surfaced as the 'Federation of Revolutionary Youth Associations -- DEV-GENC.' Differences of opinion surfaced within DEV-GENC and the Istanbul group broke off under the leadership of Fasa Guven and Bulent Uluer and took the name 'Revolutionary Left -- DEV-SOL.' DEV-SOL operated legally for a while, then turned illegal and started armed actions."

Istanbul police authorities announced that they had had an on-going struggle with the illegal DEV-SOL organization and had arrested many of the militants who had long been wanted and that the problem at the moment was to apprehend the new leadership cadres.

Current Status of Terrorism

Istanbul CUMHURİYET in Turkish 19 Feb 81 pp 1,5

[Text] Ankara, CUMHURİYET BUREAU -- The General Staff Office for Coordination of Martial Law Military Services has issued a statement on incidents of terrorism and anarchy occurring within the past 1-month period.

It is pointed out in the statement that 588 crimes were committed in the past month and 20 persons died, including 5 security officers. Noting a 20 percent reduction in the total number of crimes, it was reported that effective blows had been struck against 6 leftist, 5 separatist and 2 rightist organizations.

The announcement follows:

"1. In the past 1-month period between 12 January - 11 February 1981, 588 crimes were committed which come under martial law jurisdiction in our country. Of the crimes committed during this period, 294 were hanging posters and distributing bulletins, 134 were unlawful taking and robbery, 63 were armed assault and clashes with security forces, 24 involved explosives and arson, 6 were student incidents, 3 were demonstrations and resistance and 64 were other crimes involving unlawful taking, threats and curfew violation.

"Of these crimes, 16 were committed by right-wing activists, 361 by left-wing activists and 15 by separatist groups. However, although a portion of them is thought to have been committed for ideological purposes, a significant part of the theft, robbery and assault incidents is being evaluated as of a routine nature. They are being considered as under martial law jurisdiction pending further clarification. Of the 588 crimes committed during this period, 60 percent were simple crimes such as hanging posters and placards and assault. Most of the posters were found to have been hastily made, using spray paint.

"Crimes committed in the past 1-month period from 12 January to 11 February, as compared with the previous 1-month period from 12 December 1980 to 11 January 1981, represent a 20 percent reduction in overall crime figures and a 35 percent reduction in poster incidents and distributing bulletins. On the other hand, 20 persons lost their lives in the past month as the result of violence. Five of those who lost their lives were security officers. One was a deputy security director and four were policemen. Also, 17 terrorists died in clashes with security forces, 2 of them in Akyazi District of Sakarya, 2 in Kastro District of Diyarbakir Province, 2 in Rize and the others in various provinces. Also as the result of crimes committed in the month, 48 persons were injured and 16 terrorists were wounded in clashes with security forces.

Robbery and Theft

"2. While there was an average of 58 crimes committed per day in the last 1-month period prior to 12 September, the average daily number of crimes committed in the 1-month period from 12 January to 11 February 1981 was 16. While 8 persons per day lost their lives to violence, lives lost in this period were approximately 1 every other day, and the number injured dropped from 16 per day to 2.

"Also, the 16 average daily poster and bulletin distribution incidents per month prior to 12 September were reduced to 9 in this period, and the 6 daily thefts and robberies were reduced to 4.

"In a 1-month period prior to 12 September, 20 million liras were taken in thefts and robberies perpetrated against public institutions, citizens and business establishments and 50 million liras' worth of gold, jewelry and valuable goods were stolen, while in this period, there was no theft or robbery of public institutions, 6 million liras were taken in theft and robbery perpetrated against citizens and commercial establishments and 18 million liras' worth of gold, jewelry and valuable property was stolen by terrorists. A significant portion of the gold stolen was recovered later from the arrested perpetrators. In addition to the political decline in thefts and robbery, it is understood also that there is a reduction from the standpoint of the monetary value stolen.

"As opposed to 22 assault incidents per day, there were 2 in this period; 9 incidents per day involving explosives and arson compare with 1 per day in this period.

Suspects Arrested

"3. As the result of searches and operations in the past 1-month period, 1,607 leftists, 420 separatists, 538 right-wing activists and 3,046 suspects of unspecified views were arrested, giving a total of 5,601, and legal procedures have begun in their cases.

According to initial finds, 2,005 of these suspects were arrested on grounds of perpetrating various crimes. The crimes committed by the arrested suspects follow:

"--1,607 suspects belonging to the armed left-wing activist sector for the killing of a total of 73 persons in 17 provinces, the wounding of a total of 46 persons in 14 provinces, the arrangement of thefts and robbery in various places in 13 provinces, assaults on security forces or involvement in armed clashes in 13 provinces, arson and the use of explosives in various locations in 12 provinces and districts, hanging posters and distributing bulletins in various provinces and districts.

"--420 suspects belonging to the armed separatist activist sector for the killing of a total of 22 persons in 9 provinces, involvement in clashes with security forces in 6 provinces, various thefts and robberies in 6 provinces, various thefts and robberies in 6 provinces, use of explosives in various locations in a number of provinces and districts, hanging posters and distributing bulletins.

"--528 suspects belonging to the armed right-wing activist sector for the killing of a total of 29 persons in 10 provinces, the wounding of a total of 27 persons in 7 provinces, involvement in armed clashes with security forces in 1 province, theft and robberies in 3 provinces, use of explosives in various places in 2 provinces.

"--The suspects, whose guidance has not yet been firmly identified, are understood to have taken part in many actions in various of our provinces. Usually, as investigations progress, they reveal that some incidents are ideological and others are routine.

Illegal Organizations

"Effective operations conducted by security forces to date have eliminated, as to illegal left-wing activist organizations throughout Turkey, almost all of the Turkish People's Liberation Party Front/United for Action and The Urgency and a significant part of the Marxist-Leninist Armed Propaganda Union, DEV-YOL [Revolutionary Road] and DEV-SOL and the Turkish Communist Party Marxist-Leninist Partisan. Meanwhile, the leadership cadres of the Ankara organizations of the Turkish Revolutionary Communist Party and People's Liberation, the Turkish Communist Party Marxist-Leninist Partisan and DEV-YOL have been arrested and these organizations have been largely rendered ineffective.

"Of separatist organizations, almost all of the Revolutionary Democratic Cultural Association, Kurdistan Rixgari and Freedom Road and a significant portion of the Apo [arm of Kurdistan Liberation Organization] and Kawa [expansion unknown] Organizations have been rendered ineffective.

"From the armed right wing activist sector, almost all from the Idealists and the Raiders who committed crimes prior to 12 September have been apprehended.

Arms

"4. In searches and operations conducted in this period, 298 rifles of various types and calibers, 76 shotguns, 47 automatic pistols, 4,776 pistols, 1 rocket launcher, 87,123 cartridges, 441 explosive devices, 44 other weapons and 9 walkie-talkies have been seized.

Education, Occupation, Age Groups

"5. Distribution of the suspects arrested by education, occupation and age groups is:

"Education status: Higher education, 323; middle education, 671; primary school graduate, 443; others, 1,118.

"Occupational status: Student, 511; teacher, 129; worker, 323; civil servant, 149; independent professional, 519; housewife, 96; other occupations, 620; unemployed, 418.

"Age status: Between 16 and 25, 1,573; 25-35, 685; 35-45, 209; 45 and over, 88.

Pre-12 September

"6. Most of the crimes committed by the suspects as stated above are from the periods preceding 12 September.

"The reason for arrests of activists despite the reduction of incidents stems primarily from the apprehension after 12 September of perpetrators of incidents which remained unclear owing to the weakened authority of the state and the total inadequacy of the laws against terrorism and anarchy.

"In fact, the perpetrators of 124 murders, 84 cases of injury and many other crimes of anarchy whose perpetrators had been unknown were arrested in the past month and turned over to justice, thus striking an effective blow against the illegal organizations.

"The support and help given our security forces by our people since 12 September in clearing the unresolved crimes are invaluable."

Explores Causes, Dimensions of Terror

Istanbul CUMHURİYET in Turkish 8 Feb 81 pp 1,5

[Article by Ugur Mumcu: "To Know Terror"]

[Text] How do we evaluate terror?

There is a "police" side of terror. This has to do with the state's security forces. Intelligence is received, operations are arranged, investigations are conducted and the terrorist is turned over to the courts. Then the trials begin; prosecutors prepare their indictments, defendants and their lawyers present their defense and the courts issue rulings.

The aspect of terror having to do with state security is dealt with at the highest levels of the political administration. Is terror being directed from abroad? If so, by whom? Which nation has secret services directing terror? Is there a relationship between the international dimensions of terror and the terror experienced throughout Turkey? Who sends this many weapons to Turkey; which nations shut their eyes to this smuggling? For example, how are guns produced in a NATO nation smuggled into our country over the soil of a Warsaw Pact nation? Is there a multilateral plan of terrorism against the ethnic characteristics in our country? What is the significance, the purpose, of terror from the standpoint of regional peace?

I shall leave these aside. There are other aspects of terror: Jan these, aspects which bear examination by the sociologists, economists and psychologists.

A friend of mine who teaches at the Medical Faculty once explained that it is very risky for doctors to give fever patients "antibiotics" as a matter of course, because antibiotics given without knowing the identity or characteristics of the bacteria causing the fever lower the patient's fever briefly, but immediately create an immunity in the patient and reduce the effectiveness of medicines given later. Therefore, a procedure called a "throat culture" is used, the bacteria in the patient's throat is identified and only then is an antibiotic of the type to kill the bacteria given.

It would seem difficult for measures taken without knowing the political, economic, social and psychological causes of terror to be long-term and durable. Police measures and steps to be taken, like the antibiotics which temporarily lower the patient's fever, give temporary relief -- and make it necessary for the state to look at the matter with a very different eye later on.

And I think that unemployment has an important place among the various causes of terror. The fact that some of those who take part in the vicious events on the left and on the right are unemployed confirms this. In a country with a mixed class structure like Turkey, people of all classes engage in terrorism. This is natural, too. However, if you take data from the incidents prior to 12 September and make comparisons, you cannot help but notice that in this period which we experienced a lot of people with no class identity which we call "lumpen" engaged extensively in violence, both left and right.

"Lumpen making" is one of the foremost results of disorderly urbanization. It makes it easy for the masses flowing into the cities from the villages and who cannot find work in the cities to take part in "adventurist" actions. The terror market needs this type of person. A jobless, powerless horde, lacking culture, embittered, with no hope of making it in the system, gets swept up in single-minded provocations, takes gun in hand and joins the actions. The subconscious perceptions of the right-wing "lumpen" and the left-wing "lumpen" are much the same.

In addition to the characteristics involving state security, terrorism also has these aspects open to research and debate.

If we want a Turkey free of terrorism tomorrow, we have to understand and explain these aspects of it also. It is a duty befalling the Turkish intellectual to research the social and economic causes of terrorism and its characteristics involving mass and individual psychology.

If we want to be free of terror, we must first know terror, in all its aspects.

EDER PARTY LEADER ANALYZES ECONOMIC POLICY

Nicosia TA NEA in Greek 15 Feb 61 p 10

[Text] The government policy is dangerous for the country. The gap between the Rich and the poor is widening, the distribution of national income is becoming more inequitable and in a short while the working classes will not be in a position to use electricity and fuel. Clearly rejecting the policy followed by the government and letting it be unquestionably understood that the Socialist Party-United Democratic Center **[EDER]** will vote against the budgets, EDER President Vasos Iyssaridis pointed out that even though all sides agree that the government policy is dangerous and that the measures the House of Representatives recommended were not adopted they (parties) nevertheless continue to support it with their votes. He charged, moreover, that the simple protests are but a deceit.

Speaking to a large and enthusiastic gathering of people in Kamboi, Iyssaridis referred to the latest developments and spoke in detail about EDER's economic program--which was enthusiastically approved by the gathering--as the only way of salvation through the changes it offers in the economic policy since they provide for a productive exploitation of the wealth-producing possibilities and for a mobilization of the resources for the benefit of the whole people and of the struggle.

Describing the tragic economic situation which is rapidly leading the working classes into a dreadful position and the dangers of an economic downfall which the country is facing, Vasos Iyssaridis said in part:

- a. The farmer's income is so oppressively low that it may be approaching the limits of pauperism.
- b. The unscheduled industrial production is now causing shutdowns of certain industries while unemployment in certain sectors has reached 20 percent.
- c. Bad management endangers the Arab market which constitutes the most important buyer of Cypriot products.

In his speech Iyssaridis added also that the House of Representatives will be discussing in 2 days the budgets whose approval by a large vote will mean acceptance or tolerance of the government economic policy. But is this policy tolerable? The purchasing power of the salaries and daily wages is being reduced continually. Any increases the working people gain after struggles shrink to

extinction because of the disproportionate price increases. Thus the gap between rich and poor is widening and the distribution of the national income is becoming more inequitable. In a short while the working classes will not be in a position to pay for electricity and fuel.

The farmer's income is still very low, and if the average farmer's income is less than 50 percent of the general income, then the income in certain areas--especially mountainous--is so oppressively low that it borders on pauperism.

The gap in the balance of payments surpasses the total amount of the budgets, and we begin to have a negative balance of payments. The unscheduled industrial production is now leading to shutdowns of certain industries and there are clear indications of oncoming unemployment. Already unemployment is very high in certain branches and has reached 20 percent among the professionals. Bad management may place in danger the Arab market which today constitutes the most important buyer of Cypriot products.

The government resorts to the easy way of finding resources through indirect taxes on items of wide consumption thus lowering still more the standard of living of the working people. The thoughtless imports not only drain our economy through the export of foreign exchange but hurt as well the domestic agricultural and industrial production. The lack of a substantially controlled investment policy has allowed a turn toward investments of fast exploitation with short-term goals at the expense of the economy.

All sides agree that the government policy is dangerous to the country. They also agree that the measures the House of Representatives recommended were not accepted. Yet these sides continue to support this policy by voting for it. The simple protests are but a deceit.

The country needs a change. It is necessary to have a new economic policy which should utilize productively the wealth-producing possibilities and should mobilize the resources for the benefit of all the people and of the struggle. The EHEK program provides both the change and the economic salvation.

Referring to the issue of the social insurances he pointed out that the institution is useful, popular and indispensable and we should safeguard it. It is true that certain groups of self-employed face difficult problems because they are unable to pay the necessary contribution. One solution would be to reduce the contribution, but this would mean also a reduction in benefits and this would be an injustice to this class of citizens. For this reason we recommend the establishment of a special insurance fund which will partially help this class (farmers, small artisans, young businessmen, and so forth) so that their benefits will remain intact while their personal contribution will be reduced.

BALANCE OF PAYMENTS DETERIORATED

Nicosia 1 **SIMBIRINI** in Greek 15 Feb 81 p 7

[Text] If one can judge from the latest statistics on imports and exports, the picture of our trade in recent years is not at all bright. Even though the exports show an increase in recent years they nonetheless continue to be discouraging and to have an impact on the trade deficit.

The large trade deficit expansion which caused the balance of payments problem is the result of the greater increase in imports (about 18.9 percent) compared to the increase in exports (about 15.8 percent). As a result of these developments the deficit in the current trade balance is expected to increase still further than it is today and this dictates the systematic promotion of exports with an ultimate objective of the reduction of the deficit.

According to data given by the minister of finance in his speech in the House of Representatives on the 1980 economic developments and on the 1981 prospects and budgets, it appears that the balance of payments became worse despite the satisfactory effect of the exports, first because of the increased payments for the import of oil products, second because of the effect of the international inflationary pressures, and third because of the acceleration of the internal inflationary pressures.

Rise in Deficit

It must be pointed out that because of the great lack of equilibrium shown by the Cypriot trade balance, it would be necessary to double the rate of increase of exports compared to imports in order for the trade deficit to remain unchanged. Last year's increase of exports and imports at the above rates could not but result in a large rise in the trade deficit. Even though the government has set as a target of its Third Special Economic Action Plan for 1979-81 the increase of imports at an annual rate of around 11.1 percent and has scheduled an average annual rate of increase of exports at around 13 percent, still today's data show that our imports are far higher than the exports. Thus, in 1980 our exports represented only 44 percent of the imports.

On the basis of the above it will be necessary to stimulate as soon as possible our export trade along scheduled and rational lines. Since our ultimate objective is to stimulate the interest of the authorities on this hot issue, we cite below the most important conclusions of the U.S. President's Reports Council which

has recently prepared a report stressing that an immediate and drastic increase in the export trade of the United States is imperative.

We recognize, of course, that the immense U.S. economy cannot be compared to the small Oppriot one and its inadequate wealth-producing resources but neither has it faced or does it face social (refugees) and political problems (Turkish invasion, political instability in the country and surrounding areas of the Mediterranean and Middle East) of such size. We shall see, however, that many of the conclusions and recommendations of the President's Exports Council could possibly be implemented in our country also with good results. Briefly, the Council supports the position that it is urgent and necessary to promote exports for the following reasons:

1. To pay the increased cost of oil products and of other indispensable raw materials.
2. To reduce the trade deficit.
3. To create additional employment opportunities.
4. To increase the people's standard of living.
5. To increase foreign investments.
6. To increase industrial efficiency through the establishment of larger, viable units.
7. To promote new incentives for inventiveness and increase of productivity.
8. To find new markets for farm products.
9. To increase the tax revenue of the government and
10. To avoid protective measures which usually have as a result the decrease in productivity and the encouragement of inflationary trends.

Measures for Promoting Exports

The first measure the President's Exports Council points out is the creation of an export mentality and this can be achieved as follows:

- a. By determining the export goals.
- b. By establishing a permanent Exports Council.
- c. By establishing advisory committees from the private sector for a better and more effective cooperation with the government sector.
- d. By establishing an improved system of information for possible and existing exporters.

As a second measure for increasing the exports of a country the Council recommends the improvement and strengthening of the federal government jurisdictions in

international trade. This can be achieved with the establishment of an agency for monitoring international trade for the purpose of assuring constructive criticism and improvement of this agency if it indeed shows any inefficiency. In addition the Council recommends the elimination or reduction of any possible counter-incentives or obstacles existing in the export trade. As an example, the Council mentions the taxation of Americans working abroad and points out that this taxation should be reduced so that the various companies offering services will be able to compete with their counterparts in other countries.

Incentives

In its fourth measure, the Exports Council urges that the motives for exports be improved. In its report it emphasizes that the financing of the exports determines the degree of the competitiveness of exports. In addition the Council recommends that commercial banks should be allowed to buy stock in such companies, that government financing should be given, and that special tax incentives should be established for this purpose.

In order, therefore, to avoid the continued adverse impact on the balance of payments and to maintain a high rate of economic development it is necessary that the government provide a comprehensive and detailed plan for promoting exports. It should be pointed out at this point that the foundation for such a plan has already been laid within the framework of the Third Special Economic Action Plan for 1979-81. It does not seem, however, that a systematic study of this plan was initiated.

1980: Year of Success for Cypriot Tourism

The year 1980 appears as one of the best and most successful years of the Cypriot tourist development. According to data given by the Cyprus Tourist Organisation (CTO) the number of tourists increased by 19 percent which is considered a high level of increase. Specifically, the tourist arrivals surpassed last year's level (297,000) and reached 354,000 persons while the income increased from 50 million pounds in 1979 to 70 million pounds. It should be noted here that this increase took place during a year when tourism in many European and Mediterranean countries had decreased.

The above developments are in contrast to the situation created early in 1980. As is known, early last year fears and concerns were expressed and the impression was created that the Cypriot tourism would face a severe crisis. Such fears of course were not borne out.

It should be mentioned at this point that the situation which was created and still exists in the Middle East has helped and will continue to help favorably the further development of the Cypriot tourism. In addition, Cyprus was used more and more as a "transit" station between the various warring Arab nations (the Iran-Iraq war, the Middle East problem). In view of the above developments Cyprus began developing into a cosmopolitan center offering services to people from various countries and with different cultural backgrounds and ways of life. This can be confirmed if one takes a walk in the streets of our cities and this cosmopolitan atmosphere adds one more attraction to our island.

Development

Even though many countries are pessimistic in their assessment of their tourism in 1961 since they foresee a slowdown in this sector, Cyprus seems to be able to attract an increased number of tourists. It is anticipated that in 1961 tourism will be 10 percent higher than in 1960. On the basis of this anticipation it is expected that the number of tourists will increase to around 390,000 and that the income in foreign exchange will reach between 90 million and 100 million pounds.

There are also indications that the rate of development in this sector is far higher than originally estimated. A proof of this is the fact that the arrivals last January (1961) were much higher than the arrivals during the corresponding month in 1960. KOT views the post-1960 situation as a period of slowdown. This pessimistic tendency derives from external factors which will influence the tourist development of Cyprus. These factors are:

1. The higher inflation rate in the countries on which the Cypriot tourism depends.
2. The decline in the economic development of these countries.
3. The rise [in the price] of petroleum products which besides "pinching" everyone's pocket has contributed to the rise of the air fares. In a recent announcement IATA has warned that as of 1 April 1961 the air fares will be increased by 6 percent. A greater effort on the part of KOT and appropriate authorities for a better and more effective enlightenment and projection of Cyprus abroad will help make 1961 as successful [touristically] as 1960.

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C80:4906

HOUSE OF REPRESENTATIVES APPROVES 1981 BUDGET

Budget Figures

Nicosia THE CYPRUS WEEKLY in English 20-26 Feb 81 p 1

[Text]

The House of Representatives yesterday approved the 1981 Ordinary and Development budgets after the majority of party leaders had stated they only did so to avoid creating chaos shortly before the imminent parliamentary elections by rejecting both budgets.

Even so, the four members of the Socialist Edeks Party and the sole representative of the right wing Democratic Rally voted against the budgets which were approved by a vote of 27-5.

The vote was preceded by three days of speeches in which all the members of the House took the floor to express their views, with the majority criticising the government strongly for its fiscal and other policies.

Even some members of the ruling Democratic Party of President Kyprianou joined in the strong criticism which reflected the views expressed by the all-party Budget and Economic Committee of the House in its detailed report (see page 3).

The Ordinary Budget as approved envisages revenue of £160.4 million and expenditure of £166.1 million, compared with the final revenue and expenditure figures of £164.6 and £162.6 for the previous year.

The Development Budget envisages expenditure of £45.2 million, 7.6 per cent

higher than in 1980.

A total of £80 million, almost half the expenditure of the Ordinary Budget, is to be used for the payment of salaries, wages and pensions of government employees.

The revenue sources are £54.7 million from direct taxation, £81.3 from indirect taxation and £44.3 million from other sources.

The House unanimously adopted an amendment to the budget that would prevent the government from utilising funds earmarked for one specific project by transferring them for other uses. The amendment was adopted after charges by the majority of opposition members that the government was using budget funds to serve its own party-political interests in view of the parliamentary elections scheduled early in the summer.

Opposition Parties Reaction

Nicosia THE CYPRUS WEEKLY in English 20-26 Feb 81 p 3

[Text]

The government as a whole, and each Ministry individually, come under a severe lashing in the report of the Budget and Finance Committee, which was submitted to the House of Representatives this week during the annual budget debate.

The all-party committee specifically blames the government of President Kyprianou for failing to take the necessary steps to stop the economic drift — which it warns may result in a "severe economic crisis."

In its general remarks on the budget, the committee points out that "unfortunately, despite the troubled situation of the economy

today and the adverse prospects of a further deterioration, the government has not yet moved to take the necessary steps."

'Substandard'

As an example, the committee says that while the energy problem has resulted in the destabilisation of the economy, "the measures that have been planned or that have been taken are theoretical, substandard and insufficient."

At the same time government efforts to counter inflation and peg prices "are not what they should be."

The committee expresses its anxiety over the increase in consumption to the detriment of investment, and adds that this has given rise to doubts whether the monetary policy of the government is the correct one.

'Manipulation'

The report says that some members of the committee hold the view that the government itself, through its own actions, has failed to prove persuasive in its appeals to the public for austerity. Some members also expressed strong views that the government is manipulating the budget in order to wage political-party propaganda, particularly in view of the forthcoming parliamentary elections.

Voicing a unanimous opinion, the report complains that there are "commissions and weaknesses in the field of the coordination of the services and activities of various ministries."

Bureau cracy

It also calls for the eradication of bureaucracy "where it exists in the government machinery and the simplification and curtailment of procedures with the objective of making the civil service more accessible to the public."

In its general remarks the committee points out that in the sector of housing, "one of the most urgent vital problems in the country," the government pronouncements for the controlling of rents have not been implemented though the target dates have been repeatedly passed, while the provisions of the law to facilitate house purchases have yet to be speeded up.

Overproduction

Criticising the activities of each Ministry in turn, the report made the following points:

• **Ministry of Agriculture and Natural Resources:** There is no planning for agricultural production and marketing. As a result at times there is overproduction, uncontrolled import of products similar to those grown in Cyprus, and finally a failure to safeguard satisfactory prices for agricultural products.

• **Ministry of Labour and Social Insurance:** The committee unreservedly welcomes the introduction of the new pension scheme, but calls for a further examination of its provisions in view of the protests voiced by some

beneficiaries. It also points out that "unfortunately the enlightenment-explanation carried out to date has not been satisfactory in the view of the committee, with the result that it is not a fluke that the mass of the citizens are ignorant of the basic provisions of the scheme and so are not in a position to evaluate correctly the importance of the new scheme."

Police

• **Ministry of Interior:** The committee points out that "a series of problems relating to the police force have not only not been tackled, but they tend to become accepted as permanent." The steady retirement of "able and experienced officers," is making the problem of filling the senior posts of the force even more acute, in view of the lack of adequate training for their successors.

The committee notes that the Town Planning legislation approved by the House in 1972 has yet to be implemented, "while the problems that have meanwhile arisen dictate the implementation of a more adequate and up to date legislation."

Government plans for rural development continue to be inadequate, with the result that the countryside is being abandoned by its inhabitants who flock to the towns.

• **Ministry of Foreign Affairs:** The committee reiterates its previous criticism that the manning of the service of the Ministry is inadequate, both with regard to numbers and the allocation of duties.

• **Ministry of Communications and Works:** The committee criticises the lack of adequate protection of archaeological treasures in view of the recent robberies.

It calls on the authorities to "examine without further delay those cases where it has been proved that certain road construction projects are faulty, and to take the requisite action against those responsible."

Highway

It also says there is "room for improvement" as well as the need for a basic review of the existing legislation on ship registration so that impressions created abroad about the Cypriot flag should be corrected.

The committee said it did not wish to comment on the new Nicosia-Limassol highway construction project, because this issue is being examined by another House committee.

• **Ministry of Health:** The committee calls for the fastest possible introduction of a general Health Service scheme, but cautions that safeguards should be taken to prevent abuses of a kind noted in other countries. It also points out that doctors employed full-time by the government continue to carry out consultations privately. "This is unacceptable and must cease," it adds.

University

• **Ministry of Education:** The committee expresses its "displeasure" over the delay in the

establishment of a university and its "anxiety" over the "problems that have been created in the field of education." It also demands the introduction of legislation to control private schools, calls for the decentralisation of education, and notes "with sorrow" the situation regarding private tuition. It calls for legislation to protect scholars from "crafty and businessmen-teachers."

The Committee "points out once more" that the government does not show sufficient interest in cultural matters. "This situation cannot continue, because the cultural service as a marker of the cultural standard of our people is not what it should be and neither does it reflect a vitality and bent of the Cypriot toward learning."

Ministry of Commerce and Industry: The committee complains that the Ministry has failed to take effective practical steps to regulate the uncontrolled increase of prices, despite all the government pronouncements. Indications of a rise in inflation make these steps imperative, it adds. It also criticizes the failure of the Ministry to adopt any measures to save energy — a problem that has become "one of the basic causes for the destabilization of the Cypriot economy."

The Ministry has also failed to implement the approved legislation for quality control, "with the result that the consumer is left completely unprotected." At the same time the prospects of the disposal of Cypriot products abroad "are becoming more and more dismal," it adds.

'Inexcusable'

The committee strongly criticizes the government for the "inexcusable delay" in taking the necessary political decisions to end the continuing festering economic crisis in the Co-operative Movement.

It also complains that the House has been kept in the dark about the new agreements for the Association of Cyprus with the European Economic Community.

The members of the committee are:

Tasos Papadopoulos (Chairman) and Christos Vella — Center Union Party; George Ladas, Alexis Galanos, Thalis Michaelides — Democratic Party; Stavros Ambizas, Paris Leras — New Democratic Party; Dinis Constantinou, Andreas Ziartides — Axel, and Takis Hadjioannitou — Edeas.

The Views of the Party Leaders

The breakup of the Democratic Party, the former majority party in the House, and the establishment of new political groupings in recent months in view of the forthcoming parliamentary elections, made this year's budget debate the most lively and wide ranging since the birth of the Cyprus Republic.

Each party leader used the occasion not only to express his views on the budget and the economy, but to tackle the wider political situation and expound his party's views on a variety of subjects in lengthy speeches sounding very much like a party manifesto.

The speeches reflected the strong criticism of the government already voiced in the report of the Budget Committee.

'Catastrophic'

Dr Vasios Lysandreas of the Socialist Edeas Party declared unequivocally that his party would vote against the budget as a whole. "We can-

not become co-signatories of a policy which in our view is catastrophic," he declared. "The country needs a change and the forces of change are those that believe in a path of national salvation and in social-economic structures that will serve the struggle and entirety of the people," he added.

Ezekias Papadopoulos of Axel also spoke of the need for radical change in economic policy and for the reorganization of the government machinery. Though Axel would vote against certain headings of budget expenditure, it would vote for their approval, he said, in order to avoid the creation of any anomaly at a time shortly before the staging of parliamentary elections.

George Ladas, the parliamentary spokesman of President Kyprianou's Democratic Party, voiced some of the criticism he had already adopted as a member of the Budget Committee. But he

said the Budget was a true reflection of the economic and fiscal policy of the government, and for this reason his party would vote for it.

Stavros Ambizas, the spokesman of the breakaway New Democratic Party, complained that the government was using the police and the government machinery to advance its own party.

'Risk'

But despite its serious reservations over the policy of the government, his party would vote for the budget "because its rejection in the pre-election period may give rise to the risk of abnormality."

Tasos Papadopoulos of the Centre Union Party said his party would only vote for the budget if the House took steps to prevent the government from spending money earmarked for definite projects for other purposes. This was because the President was using the government machinery to propagate the interests of his own party at a

time of pending parliamentary elections, he added.

Outcome

Rejection of the budget by the House would lead to serious dangers for the state and to political deadlock, because "I am convinced that the President will not resign voluntarily under any circumstances." It would be better to wait for the outcome of the parliamentary elections when the people will have a chance to declare whether they approve of the policy of the government, he added.

Leonidas Ierodimitrou, the only member of the right wing Democratic Rally in the House joined the Socialist Edeas in saying he would vote against approval of the budget, accusing the government of "bankruptcy" in both the economic and political sectors of the administration. "It would not be an exaggeration to say that everything is in a state of chaos," he declared.

CHAMBER CALLS FOR 'YEAR OF EXPORTS'

Nicosia CYPRUS MAIL in English 21 Feb 81 p 1

[Text]

THE CYPRUS CHAMBER OF COMMERCE HAS PROCLAIMED THE CURRENT YEAR 'THE YEAR OF EXPORTS'. AS PART OF THE EFFORT TO REDRESS THE HEAVY IMBALANCE OF FOREIGN TRADE.

This was announced at the Annual General Meeting of the Chamber yesterday by the Chairman Mr Andreas Avraamides.

Together with the efforts to increase national productivity and to create once more the necessary investment climate an effort must be made to increase exports, Mr Avraamides said.

The Chamber, aware of maintaining the rate of exports in order to secure valuable foreign exchange, to reduce the enormous deficit in the balance of trade — which in 1980 reached a record figure of £211 million — and to ease inflationary and other pressures on the economy has declared 1981 as 'The Year of Exports'.

A success in this field, he said, will prove beneficial not only to the economic but also to the social field.

Also, increased exports would mean greater demand for our products, increased investment activity, creation of more opportunities for gainful employment for our labour and our qualified staff, development of many regions of the island and improvement of the standards of living of the people.

Mr Avraamides underlined that this initiative, in order to produce the expected results, needed catholic support and co-ordinated efforts could be made in all directions.

Steps needed

The Chairman listed a number of steps needed for the attainment of this target. They included:

The granting of incentives to encourage exports and maintain the competitiveness of the Cypriot products in foreign markets.

The solution of the host of problems being faced in the ports as regards the loading of products, particularly the problem of high costs.

The organised, methodical and scientific effort for the exploration of foreign markets, traditional and new.

The establishment of new trade centres and the strengthening of existing ones and

of the trade sections of Cypriot embassies.

The granting of more facilities for participation by Cypriot exporters in special exhibitions abroad.

The organisation and exchange of trade missions for better acquaintance with customers and the exploration of the possibilities for greater transactions.

Transit centre

Mr Avraamides also said that greater attention must be paid to the better exploitation of the central geographic position of Cyprus for its use as a transit centre.

The government, following the example of other Mediterranean countries, must cherish

the necessary policy to this end and also for the use of Cyprus as a regional management centre, he said.

Mr Avraamides surveyed the general economic scene, referred to the tendency for rising unemployment and said this was the result of the decline in economic activity in most sectors of the economy, the slackness in productive investments of the private sector and the gradual but steady loss of competitiveness of our products both in the world markets and at home as against similar imported products.

He also referred to the expansion of credit by the banking system of the economy to the public sector and said that if the public sector does not succeed in curtailing shortly its cash deficits and its credit requirements from the banking system of the economy, the overall effort to limit the rate of increase of the total money supply within the development potential of the economy under conditions of internal and external monetary stability, will fail.

Mr Avraamides said the state of the economy is becoming increasingly discouraging if one takes into consideration the internal factors

which contribute to the aggravation of inflation.

These, he said, include the absence of an energy policy aimed at saving valuable energy fuel imports, represent 20 per cent of total imports and high increases in state expenditures, which he called the onerous and anti-investment heavy taxation which discourages entrepreneurial activity and impedes the effort to increase national productivity and the continuous increase in labour costs far beyond the tolerance of our economy as determined by the rate of productivity growth, which coupled with the biannual cost of living allowances is already having most adverse effects both on the costs and the competitiveness of goods and services.

The Chairman points out that the rate of growth of national productivity in 1980 was only 2.8 per cent -- an alarmingly low rate.

Mr Avraamides called for introduction of incentives for investments.

He also urged incentives to encourage formation of public companies and welcomed the steps being taken for a stock exchange.

AIRWAYS FACED WITH ECONOMIC PROBLEMS

Nicosia THE CYPRUS WEEKLY In English 27 Feb-5 Mar 81 pp 1, 32

[Text]

Faced by massive increases in operating costs, like every other airline in the world, Cyprus Airways is taking urgent steps to cut its operating expenses—including a 10 per cent reduction in the number of its pilots.

"We are facing a loss in the current year, and are taking every possible step to offset this," Evdokios Savva, Managing Director of the national airline, told the Cyprus Weekly in an exclusive interview.

"Other airlines are losing a fortune, and we can't afford to do the same. It is going to be a very difficult year, but we hope the results will turn out to be marginal", Savva concluded at the end of a lengthy interview during which he provided a detailed explanation of the difficulties faced not only by Cyprus Airways, but by every other airline.

After reviewing the situation "we devised a more compact and efficient operating programme", he said

revealed that the company has already laid off 14 pilots who had been flying its CL44 cargo jet (now no longer available) and eight working on passenger jets out of the company's total operating crew strength of about 70.

Savva quoted Knut Hammarstrand, Director General of the International Air Transport Association (IATA the airline companies union) as saying that 1980 was the bleakest year in aviation history.

"I believe 1981 will bring very similar results with a large number of airlines showing heavy losses—and I mean heavy losses. Losses so great they will not have sufficient cash flow or capital to finance new equipment purchases," he predicted.

As a result of inflation and the skyrocketing price of fuel, operating costs increased 400 per cent in the past decade, while the fares charged by Cyprus Airways have increased by only 52 per cent, Savva pointed out. But despite this in its determination to continue serving the island and its people in the best possible way, Cyprus Airways offers the lowest fares in Europe, he stressed.

The etheric fare and the Cyprus to London fare is the lowest advertised fare in comparison with all other airlines in every other part of Europe, he said.

Our fares look really ridiculously low by comparison with the others, and people who complain about our charges forget that our traffic suffers from many other things that many other airlines don't experience."

TRAFFIC

The main disadvantage was that Cyprus as a small country does not generate passenger traffic in the hundreds of thousands like other major population centres. As a result Savva explained, it is difficult to maintain the regular frequent flights demanded by the public and fill the aircraft to the required capacity in order to break even at the same time.

To break even, a flight now has to be at least 70 per cent full, and rising costs are pushing this figure higher all the time. For example, Savva added, 10 years ago the cost of the fuel used for a return flight to London from Cyprus was only £400, whereas now it is £5,600. In addition, navigation charges payable for overflying Europe have risen from just a few pounds a few years ago to £900 now and will rise to £1,200 next April for each flight.

Landing fees in London, have also risen so steeply that a group of foreign airlines have taken the British Airports operating board to court in an effort to have them reduced, he said.

Added to these Cyprus Airways faces the extra difficulty of an imbalance in its traffic patterns. The total passengers carried ranged from a minimum of 3,500 last February to a maximum of 18,000 in August. At the same time, he added, in the busy summer months passengers were split unevenly, with 60 per cent morning and only 30 per cent outgoing in July and the other way round in September. This inevitably cut down the break-even point in the outgoing flights in July and the morning in September.

"You only need a few flights not to have a break-even point with the current high costs and you are in trouble," Savva said.

STANDBY

Asked how other major airlines offer such low standby tickets—particularly on the Atlantic run—Savva said: "They have full flights at the time, haven't they?"

People are carried away by the advertisements for these standby seats, he added. But standby means standby, that is, you have a seat only before the aircraft takes off if there is one available, and these major foreign operators only allocate a very small percentage of such seats on their most popular flights, he said. Whereas these other carriers also charge very high full fares, Cyprus Airways charges special low fares.

Savva argued that introducing the standby system on Cyprus Airways would prove impractical. For example, the passengers paying full economy fares on all flights out of London amount to 25 per cent of all traffic, whereas in Cyprus the number ready to pay these higher fares is only 5 per cent, and this would not be enough to offset the reduced charge for the standby seats.

SHARES

"If we had more passengers to increase our break-even point, then we could reduce our fares," Savva said. But this increase should be spread throughout the year and not just in the busy summer months. Otherwise the only other way would be to reduce the number of flights, something that nobody wants.

Despite the difficult year ahead, nearly a quarter of the company's privately held shares have just changed hands—at a record price, reportedly around £7 each, £2 more than the previous bid. The sellers were Hui Shyn Airports Ltd, the well known Cyprus travel agency and the buyers a group of Limassol businessmen.

Cyprus Airways is owned 51% by the government, 26% by British Airways and the remainder 23% by private shareholders. Commenting on the sale of such a large parcel of shares at a record price, Savva said this indicated that Cypriot businessmen believed firmly in the profitability and bright future of the company.

FARE RISES

It is reported from Amsterdam that KLM Dutch Airlines will raise its passenger fares by between one and five percent as from April 1 this year, to meet rising fuel and general costs.

KLM flights to the US and the Middle East will go up by 5%, to Europe by between one and 5 percent, to Canada by 4% and to African countries by between 2-3 percent.

In Washington, the Civil Aeronautics Board, citing a jump in fuel prices, yesterday agreed to allow airlines to increase fares on US and overseas routes.

The allowable increases cover all US airlines and foreign air carriers which fly to the United States.

The Board said airlines flying to Atlantic destinations including Britain and the rest of Western Europe could increase fares by 4.33%.

It would permit an increase of 6% on Latin American and 4.65% on Pacific routes.

The domestic increases could go into effect on March 1 and the overseas rises would become effective on April 1.

GOVERNMENT'S ECONOMIC PROPOSALS MEET WIDESPREAD OPPOSITION

Stockholm NORDISK KONTAKT in Norwegian 4 Feb 81 pp 95-96

[Article: "Cabinet Members Disagree About Necessity of More Measures"]

[Text] The State Economic Institute's prognosis for inflation in 1981 predicts a rise of about 50 percent or more, while the Association of Employers predicts 36 percent unless more economic steps are taken than those announced by Gunnar Thoroddsen's government at the turn of the year. Progress Party cabinet members assign great importance to the necessity of additional countermeasures if the government's goal is to be reached, that of bringing inflation down to 40 percent this year. People's Alliance cabinet members, on the other hand, think that for the time being no additional measures are needed.

The reaction is mainly negative to the government's provisional law, which among other things involves a reduction of seven percent in index supplements to wages as of 1 March, and the announced economic measures. The wage earner organizations have protested against the wage reductions, although with different emphasis.

The LO [National Federation of Labor Unions] is of the opinion that the measures that are to compensate for wage reductions must be included in the assessment, while civil service organizations are very emphatic in their protests. The 8500 [Federation of State and Municipal Workers] has announced a conference of foremen in February for the purpose of discussing further reaction by the federation. Business and industry and employer organizations have in general expressed satisfaction with measures that will reduce the pace of inflation, but protest very strongly against measures they claim carry with them a false dröma rate of exchange and introduction of a new transfer system to keep business and industry going.

The parliamentary group of the Independence Party on 5 January made public a resolution concerning the government's measures, stating that the measures do not touch the roots of the inflation problem, and that they are exclusively short term measures that will increase the difficulties. The group is in principle opposed to the government's measures and says it will propose changes in accordance with the party's program when the provisional law comes before the Alting. The provisional law as it is now presented does not have the support of the Independence Party. The party board of the Social Democratic Party met 5 January to discuss the economic measures and declared that there was neither solid economic control nor any new

economic policy in the government's plan. State support of business and industry was attacked. This was a matter of short-term solutions and would mean inflation rate in 1981 similar to that of 1980. Once more, wage earners alone were to be made to suffer and make sacrifices, with no lasting benefits to them, states the party resolution.

Ship-owner Difficulties

One matter very important to economic development (as well as to the finances of the ship-owners and the seamen, is the setting of the price of fish, and thereby conditions in the fish processing industry. On 17 January, when this was written, there was still no news about the price of fish. The seamen have demanded wage increases of up to 30 percent, and most of their trade unions have obtained authority to strike. The ship-owners say they cannot enter into agreements with the seamen until fish prices have been set. Negotiations are under way, led by the state mediator.

The fisheries price council has not yet been able to set fish prices; among other things the government has not yet found the money needed for support of new fish prices, which, it is asserted, must call for an increase of 15-20 percent.

The Economic Institute has calculated the position at the turn of the year and found that the shipowners are operating at a loss of 18.2 billion old krona, or 11.2 percent. In the opinion of the National Association of Icelandic Fishing Boat owners, however, the Institute is guilty of a miscalculation; according to the Association the loss amounts to 22 billion krona, or 13.5 percent. The ship-owners claim that an increase in fish prices of over 20 percent is needed to bring balance to their operations.

A significant increase in fish prices hurts the fish processing enterprises, which are in a somewhat different position. Split cod and dried cod processing operates at a profit, but the frozen fish processing can stand no increase in the price of fish, unless the higher price is compensated for by transfers of means. The government must make the decision on this matter.

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C80: 3108

BRIEFS

CHEESE TO POLAND, BUTTER TO USSR--Stavanger--1,000 tons of Norwegian Norway cheese will be exported from Rogaland to Poland during March, STAVANGER AFTENBLAD has reported. This is the first time that cheese has been supplied to Poland from Norway. The Norwegian dairies sales center has also sold 1,500 tons of butter to the Soviet Union. These export contracts are the result of Norwegian overproduction of milk in recent months. [NORSE TELEGRAM PYRAA report] (Excerpt) [LBI01519 Oslo ARBEIDER- BLADET in Norwegian 16 Mar 81 p 8]

CSO: 3108

PRICE DROPS NOTED FOR CERTAIN ITEMS

Istanbul HILLIYET in Turkish 18 Feb 81 p 9

[Text] HILLIYET NEWS CENTER -- Durable consumer goods, textile products and construction materials have begun selling on the market at below ticket prices. Also, certain iron factories have announced price reductions in order to reduce their stocks.

Whole prices on some textile products are being reduced 30 percent in cash sales.

The liquidity shortage and the new tax laws, as well as the slump in demand, have reportedly led to the price drops.

Because high interest rates have led to a shift of savings into banks and brokerages from consumption, a particularly big slump has occurred in the construction sector and more people are putting their homes up for sale. On the other hand, housing prices have dropped because of declining demand. An apartment which sold previously for 8 million liras is now going for 6 million liras.

Because of the slump in sales of construction materials, stocks have increased at the factories and this is why wholesale prices have started to fall. While sheet iron was selling at around 60 liras per kilogram about 1 month ago, it has now dropped to 55 liras.

In the construction sector, there has reportedly been a slump in pressed wood and lumber for a long time and prices are low. Pressed wood sheets which were 3,500 liras a year ago are 2,000 liras at present.

In addition, prices on hygienic materials have been lowered by the factories as much as 30 percent on condition of "advance payment."

Since there has been a big decline in demand for durable consumer goods, sales of items such as refrigerators, ovens and washing machines have stopped. Factories have begun selling on installment at cash prices. However, retailers have been found to be selling certain items for even less than the ticket price. Prices in cash sales are especially quite low. Washing machine stocks have been found to be especially high.

Reportedly another reason for the low prices is the new tax laws. Sellers have to get rid of the goods they brought earlier without invoices or by the method called "public sale" and have lowered their prices.

The new tax laws make it impossible to sell goods which had been bought earlier "without invoices," because invoices are required on all sales. In view of this, it has become necessary to get rid of the goods purchased at "public sale" as soon as possible. Certain merchants who want to sell the goods they have on hand have been forced to lower their prices for this reason.

The recent 2- to 2.5-lira reduction in wheat prices reportedly will lower the cost of bread and bread weights must be raised to tally with the new cost accounts.

Mehmet Ali Yolgormez, president of the Aegean Region Bread Industry Employers Union, said that bread wheat which is selling on the open market for 2,200 liras will drop to 1,800 liras and added that they would go to the Provincial Coordination Board with the new cost accounts and request that the weight of bread be raised in order to keep the price stable.

Meanwhile, an authority at a flour factory contended that the reduction in wheat prices was caused by money shortages on the market and that prices would go up again after a while.

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ULUSU HAS HIGH HOPES FOR EXPORT LEVELS

Istanbul TERCUMAN in Turkish 19 Feb 81 pp 1,10

[Text] ANKARA BUREAU -- Prime Minister Bulend Ulusu pointed out that the economic policy being applied has begun to bear positive results, that export revenues have increased, and said, "If we can keep our export mobilization at this tempo, there is no doubt that we will easily exceed the \$3.5 billion goal we set in the 1981 program."

Answering journalists' questions, Ulusu revealed his views on economic topics and said the following:

"The economic policy which our government is applying for the purpose of getting our economy out of its impasse of recent years has begun to produce positive results. We are happy to see that the measures taken by the government have begun to bear fruit and that our economy is picking up tempo a little every day on the road to recovery."

Prime Minister Ulusu also noted that exports had greatly increased in recent months in comparison with previous years, reaching the highest amounts in the history of the republic, and continued as follows:

"Our export revenues realized in December 1980 were a record. We are happy to see that this has continued into January 1981 also. In fact, our export revenues in January totalled \$430 million. I think it useful to compare these figures with export revenues of past years in order to explain the situation better.

"Our export revenues were \$151 million in January 1978, \$216 million in January 1979 and \$228 million in January 1980, but in January 1981 have risen to \$430 million. That is, our export revenues registered a 90 percent increase in January 1981 in comparison with 1 year previously. If we can keep our export mobilization at this tempo, there is no doubt that we will easily exceed the \$3.5 billion goal we set in the 1981 program."

The prime minister stated that he was sure all producers of the public and private sectors and members of the industrial sector would continue their efforts in the export mobilization. "They will be supported in this with all the resources of the state," he said.

Ulusu Circular

Meanwhile, Prime Minister Bulend Ulusu sent a circular to the public enterprises, asking that the necessary facility be provided during job pursuit to disabled veterans, veterans and the widows and children of war dead.

Prime Minister Ulusu said in the circular: "Taking care of and showing respect for these valued persons who gave of themselves, fighting valiantly against the enemy in the liberation, of our nation is an expression of our nation's devotion to its history and its past."

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ELECTION RHETORIC COMES TO FOREFRONT

Durduran Statement

Nicosia HALKIN SESI in Turkish 10 Feb 81 pp 1,2

[Statement released 9 Feb 81 in Nicosia by CLP General Chairman Alpay Durduran]

[Text] The NUP [National Unity Party], in a frenzy about winning the elections but knowing that even though it is in power it cannot publicly explain what it is doing and win, seems willing to spoil everything it touches in the process. The prime minister and ministers revealed by the speeches they made at the subconvention that despite their positions they cannot see the noses on their faces, that they do not understand the Cyprus problem and that they have no scruples about doing harm to our national problems.

It seems that since they have nothing to call an election policy, they can find no limb to cling to other than claiming that the opposition parties are traitors.

[As published] has said that the NUP, which has dragged our nation into economic disaster, will contribute to the decay and deterioration of many more values in the process of trying to save itself. We are seeing how right he was as the elections approach. The words of the prime minister and other ministers speaking at the subconvention exemplify this decay.

Prime Minister Cagatay and Minister Irsen are saying:

1. This country's major opposition party and another party represented in the Assembly are opposed to Turkey and do not want the Turkish army in Cyprus. In that case, the Greek Cypriot administration could expect to make tremendous gains with any change of administration here. In short, the Greek Cypriot administration is being assured that it is appropriate to obstruct solution of the Cyprus problem and wait.
2. They are eroding the prestige of the state and the government. They are saying that certain parties are traitors to the nation, violating the multiparty system and legal order. They are showing that the state and the government have no power.
3. They are saying that certain parties have organic ties to subversion. However, they openly inform the public of these beliefs without taking the slightest action and thus are showing the public that there is no prohibition against establishing organic ties with traitors.

4. Minister Irsen has lied and Prime Minister Cagatay has beat around the bush to make serious accusations, implying that the CLP [Communal Liberation Party] holds views which are not found in its program and which are contrary to its program. Thus it is seen that they are determined to conduct policy by false accusation and dangerous innuendo in a manner not befitting a serious party.

5. They seem uninformed about the Denktas-Kyprianou compromise and the decisions which the Republic of Turkey has adopted and announced officially as foreign policy, thus appearing unable to understand what they read. In statements made in the presence of and by the prime minister and other ministers in a meeting of the ruling party, the official policy of both the Turkish Cypriot administration and Turkey is being rejected. Statements are also being made contrary to the agreement known as the 19 May compromise between Denktas and Kyprianou. In this way, the trump card is being passed to the Greek Cypriot administration which is spreading the idea that the Turks are not true to their word and is preparing to cut off the talks.

6. In antidemocratic statements, foul words are being spoken against the parties' putting up candidates and the expression of different views by different organizations. Thus they are proving as the NUP that they have never had a stomach for the Constitution and that if democracy exists in this country, it exists despite them.

It is quite possible to understand that Senator Irsen would be the most offensive and malicious member of an administration which is turning the nation on a spit over the fire, burning to a cinder the poor animal which represents the source of livelihood for the greater portion of the public, but they can get nowhere with lies and innuendo. Democracy will live despite the NUP. It has not yet been forgotten that when the spread to our country of the anarchy in Turkey was a major problem, those who were cooperating with the murderous idealists were patted on the back, that attempts were made to set up youth camps to train a strike force and that facilities were provided to those who escaped from Turkey. If anarchy has not succeeded to date in Cyprus, it has failed despite the NUP. Yet they have brought about a social climate conducive to every sort of anarchy. The Communal Liberation Party, as the hope of the future, will stand firm against these dangers, allowing no one the opportunity.

DPP Headquarters Statement

Nicosia HALKIN SESI in Turkish 10 Feb 81 pp 1,2

[Statement released 9 Feb 81 in Nicosia by DPP headquarters]

[Text] NUP General Chairman and Prime Minister Mustafa Cagatay, who has nothing to offer this community but has done this state the greatest disservice, letting smuggling, corruption and misappropriation flourish, and is seeking ways to justify it, aims to ensure unity in the NUP by attacking the DPP [Democratic People's Party] instead of heeding statements by his own party members that he has brought ruin to the state and shaping up.

Prime Minister Cagatay, having a good time as the only occupant of the prime ministry, failed at the NUP subconvention to reveal what he could do besides rail at the founders of the DPP for the past 2 years plus. Despite the raging impropriety and irregularity of personal interests, he has closed his eyes and described it as a success to be able to stay within the same ring of fire.

Irsen Kucuk cannot help but see that he has been setting back the agriculture of this nation since 1976 and that this is confirmed by the reports of the State Planning Organization. Political truth cannot easily be ignored. If he had succeeded in installing landlords and farm lords in certain villages, the South American model of development would have been acclaimed around the world. Irsen Kucuk is the godfather of these people.

The National Unity Party, which tried to suppress the personal conflicts at the subconvention, can only bring new troubles to this community; it is not the purpose of this party to serve. The government cadre within the NUP has not changed since 1976. The junta which has mobilized financial and economic resources on behalf of personal interests has protected its ministries within each government, bringing the community to its present state of ruin, but has rained billions upon a minority which backs the NUP. The call for the NUP to leave office is the dirge for an administration which mobilizes these resources at its own disposal.

The Democratic People's Party is a political organization dedicated to and resolved upon development starting with the village and the villager, which agrees that development is possible through agriculture and agriculture-oriented industry, is determined never to pillage state resources for partisans, will not concede one iota from the national cause and, instead of causing the people to emigrate from this island, will put all resources at the people's disposal in order to keep their hold on this land.

An inadequate, incompetent administration which spends state resources for party interests and makes smuggling, profiteering and impropriety the order of the day by failing to enforce the law has nothing to say to those left behind. People who condone mismanagement of \$40 million, who turn their backs on citrus improprieties and who respond with indifference to the most serious accusations by their own national deputy have no place in political administration. Those who consider repartee political success cannot blame the opposition parties after they have ruined the economy of Northern Cyprus. They will be asked to account for this when the time comes.

DENKTAS DISCUSSES RIGHTS, GOVERNMENTAL STRUCTURE

Nicosia BOZKURT in Turkish 10 - 81 pp 1,4

[Text] Nicosia -- TFSC [Turkish Federated State of Cyprus] President Rauf Denktas, on Bayrak Radio's "Events We Follow" news and commentary program, commented on the remarks by U.S. President Ronald Reagan, broadcast in his own voice, on the "federal government" and "states' powers." "If our Greek Cypriot neighbors had seen, understood and accepted this fact which Reagan pointed out, forming a federation on Cyprus would have been a very easy exercise," he said.

Greek Cypriots Proposing Local Rights

Speaking at length on Reagan's statement that "the federal government did not create the states, the states created the federal government," President Denktas said on the Bayrak Radio "Events We Follow" program that the "Greek Cypriots insist on saying, 'We are the legitimate government,' not because they do not realize this fact which found expression in Reagan's comments, but because this fact does not suit their interests." He stated that "they are proposing to give the Turkish community municipal rights."

Strong Central Government

On the "Events We Follow" program, which was broadcast at 1840 hours on Saturday and rebroadcast at 1100 hours yesterday (Monday), host Izzet Riza Yalin, Bayrak Radio's foreign news chief, asked President Rauf Denktas to comment on "President Reagan's words about the 'federal government' and 'states' powers' from the standpoint of the type of 'federal government' we advocate on Cyprus." President Denktas said, "The Greek Cypriots, in the federal system they envisage, envisage a strong central administration of the kind Reagan also mentioned, complaining of its influence... Federations are not based on municipal rights."

Stating that the "majority-minority distinction forms within the strong, central administration," the president stressed that "this is inherently wrong, because federations are composed of equal units," and pointing out that "political power means nothing," he said the following:

"Look at Yugoslavia. It has a combination of large and small statelets. There is no regard for majority or minority among them, because the state is the unit. And these units came together and formed a federation with equal conditions and equal rights. Decisions are made by means of mutual agreement, which is called 'by

consensus.' If one of them, even the smallest state, says, 'No, this cannot be,' then that decision does not pass, unless that one should be persuaded and the decision pass 'by consensus.'"

Integration Experiment Unsuccessful

Noting that when the Turkish side demands equal rights, the Greek Cypriots raise the cry that 'partition is being demanded, the division of Cyprus is being called for, one Cyprus is not desired,'" Denktas said, "Yet Cyprus has been in a state of partition for 11 years, perpetuated by force of arms, terror and inhumane behavior," and added that the "experiment in integration failed because of the Greek Cypriots."

Our Thesis Conforms to Federal Constitutions

Denktas said, "We are divided in two administratively. We are essentially two as peoples." He argued that "it cannot be said that the Turkish side wants to divide the island since we adopted the federation thesis when the experiment in integration failed because of the Greek Cypriots" and added the following:

"Quite the contrary, we want to unite a divided Cyprus. Our thesis is an approach conforming to all the federal constitutions in the world, a textbook federation. It can be no other.

Government by Authority of the People

"In that case, the bases and principles of the Cyprus problem lie in a view that Reagan expressed in one or two sentences. The federal state must not detract from the rights, status and powers of the people. The central government must be furnished only with as much power as the people give to that central government; beyond this, no one has the power to take it upon himself to say, 'I am the central government.' He also voiced the thesis that the 'federated states form the federation.'"

Reagan's Views Similar to Contemplated Federation

In answer to another question asked by Izzet Riza Yalin on Bayrak Radio's "Events We Follow," President Denktas pointed out that Reagan's comments contained views quite close to the federation which he, and therefore the Turkish side, had in mind and, in reference to the "U.S. president's intention to curb the size and influence of the federal government and to demand recognition of distinctions between the powers given to the federal government and the powers granted to the states which form the federation and their people," said:

"Reagan is complaining about the size and influence of the central administration, the federal administration, because when the central administration in a federation becomes stronger than necessary it usurps the rights of the states or the people forming that federation, it usurps their powers and governs them by decisions which come from the top, and this is not the purpose of federation. The purpose of federation is to form an administration by agreement and to form a joint administration, preserving the powers of the people."

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RAIF DENKTAS CONTINUES TO ORGANIZE OPPOSITION

Nicosia HALKIN SESI in Turkish 10 Feb 81 pp 1,2

[Text] Nicosia -- Nicosia National Deputy and spokesman for the "Kemalist Revolutionary Opposition Group" Raif Denktas, returning to the NUP (National Unity Party), said, "Today we have successfully completed the first stage of our action; we have acquired the necessary attention and regard in the NUP echelons and in the estimation of the people. We are determined at the present stage to disseminate our views, if only in the rough outline, and in the third stage to have our cadre recognized."

Raif Denktas said the following in his statement:

"I am pleased to accept the call of the NUP subconvention members and retract my resignation from the NUP.

"As I pointed out at the subconvention, the major reason for my return is the recognition of the legitimacy of the /opinion and cadre/ [in all caps] movement within the NUP. The purpose and claim of the "Kemalist Revolutionary" movement within the NUP is to realize on a foundation of legitimate democracy the basic socio-economic changes to eliminate the wretched conditions in which our people live and to make possible the advancement of our citizens through acting with solidarity within justice.

"Today we have successfully completed the first stage of our action; we have acquired the necessary attention and regard in the NUP echelons and in the estimation of the people.

"We are determined at the present stage to disseminate our views, if only in the rough outline, and in the third state to have our cadre recognized.

"We count it a patriotic duty to conduct an idealist movement, allowing no concession to defeat and investing the possibility of success in the common sense of the people. Politics must gain characteristics far superior to those of the present as to conscience, opinion and action. Democratic political life, which is to say the people's finding the best way to govern themselves, must be freed in the eyes of the people from being 'a race in which it is every man for himself' and assume its true meaning. This task falls upon the NUP electors. The community, which is composed of individuals, will be able to find a way out of the present impasse to the extent that these individuals heed, not those who seem concerned with private problems, but those who are determined to concentrate on the problems of society in general.

"In the selection of a 9-year administration, the society of individuals will have got the most out of the election process to the degree that it acts within an understanding of social responsibility.

"Both 'old' and 'new' favorites in the NUP are candidates for the party election, which is the right of every citizen. The NUP may come to power on the philosophy of 'let whoever will come and vote,' but experience has proved that a group formed in this manner neither works nor gets any work done! It is hardly possible for a group composed of individuals whose goal is to win the election and also to place their way to a ministry, if possible, to form a unity of opinion and mutual love and respect within itself and thus to be able to serve society.

"In this climate, we as the Socialist Revolutionary Opposition Group, are determined to conduct a conscious, unrelenting and principled struggle against the existing internal party order and the existing social order which has its roots in this order, and to do this on the basis of the existence of the tolerance, understanding and respect affirmed by the acceptance of myself within the party."

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FOREIGN AID DEBATE RAISES MAJOR POLITICAL QUESTIONS

LD161449 Stockholm DAGENS NYHETER in Swedish 4 Mar 81 p 8

[Harald Hamrin dispatch: "Third World Aid and Defense Budgets Cause Controversy in Finland"]

[Text] Helsinki, March--Third World aid policy and defense spending have been at the center of an intense debate which has sent ripples through the whole of political Finland in recent months. There are two opposing groups--one which advocates increased Third World aid and reduced defense spending and another which follows a more "cautious" line on both these questions.

Personal antagonisms also enter the picture, as well as an old conflict between the Foreign Ministry, dominated by the Center Party, and a group of often young politicians and debaters on the Social Democratic Party's left wing, and conflicting interpretations of how the crises surrounding Afghanistan, the Persian Gulf and Poland affect Finland's position.

To further complicate matters, the whole affair is spoken of in a language in which the key words are "idealism" and "neorealism."

The "idealists" attack official Third World aid policy, which in their view is much too little--only 0.27 percent of GNP against the un-recommended 0.7 percent (and Sweden's 1 percent). They also attack the choice of recipient nations, which for a time now have included Egypt alongside the "old" recipients of Vietnam, Tanzania and Zambia. They also advocate a cut or at least a freeze in defense spending at the present level.

On the other side the "realists" say that little Finland cannot do much to alleviate the suffering in the world, that Finland must first and foremost look after its own interests, trade with the countries which can give something in return and not imagine that the world can be improved by something said or done in Helsinki. In addition they are also opposed to any reduction in defense spending and in some cases even advocate an increase in the defense budget.

"There is a great deal of excitement in circles interested in politics and international affairs about these questions," DAGENS NYHETER was told.

The whole debate has recently been given increased urgency, as the date comes closer when the sitting Defense Commission will put forward its recommendations. This is expected some time around the middle of March.

One of the principal figures among the "idealists"--although he does not accept this tag himself--is Raimo Vaeuymen, professor of international politics, Social Democratic member of the Defense Commission and chairman of Finland's UN Association.

"There is nothing to indicate that Finland's position has deteriorated in any way," he said in an interview with DAGENS NYHETER, referring to the crises in and around Afghanistan, the Persian Gulf and Poland. "From the Soviet standpoint, for example, Finland is a highly stable country which gives no cause for alarm. There has been speculation from various quarters that what happened in Afghanistan (the Soviet occupation) has led to increased pressure on Finland. I have seen no signs of this."

For this reason Vaeuymen sees no reason to call for an increase in the defense budget--as Finnish Commander in Chief Lauri Stenla did recently. On the other hand, he said that there are no real major disagreements within the Defense Commission and that it will probably be possible to unite in support of a largely unchanged defense budget.

However, another source with direct insight into the Defense Commission's work told DAGENS NYHETER that at a recent meeting Vaeuymen delivered a very tough speech on the defense budget.

Vaeuymen also criticizes the representatives of the official line within the Foreign Ministry for their too-eager willingness to promote Finnish export interests, and for allowing trade considerations to shape aid policy instead of working for humanitarian aid for the Third World.

The best-known name among the "realists" is Keijo Korhonen, Foreign Ministry deputy secretary of state and himself a former foreign minister. Because of his stress in various contexts on the importance of national interests and his "power politics" view of world questions, he has perhaps become the most criticized target for the "idealists'" attacks.

However, he only has himself to blame in some respects, for it was Korhonen who in a speech and newspaper article last year launched a biting attack on "those who believe" that Finland "can save the world" with its Third World aid.

"Even if we throw half our GNP into Third World aid, no one would notice the difference," he wrote.

Korhonen also criticized foreign affairs and peace research in Finland for having "confused things as they are with things as they ought to be." What he meant was that the peace researchers (Raimo Vaeuymen for example) let their research be guided by their political--in practice, Social Democratic--convictions.

However, the real frontal attack on the peace researchers came a few months later, in the fall of 1980, from no less a person than Foreign Minister Paavo Vaeuynen.

"Peace research has acquired a strongly pacifist stamp," The foreign minister said in a speech in October to Finland's Peace Society. "This means that the peace researchers have almost completely refused to immerse themselves in military thinking, they keep their distance from everything connected with the military and its arms. But it is still a reality that military forces exist."

Foreign Minister Vaeuynen also criticized the ideas put forward by the peace movement in Finland in support of unilateral disarmament. Such unilateral disarmament would not benefit the interests of the Finnish people. "On the contrary," he said, "the final result would more likely be the opposite."

Behind the punches and counterpunches being thrown by the "idealists" and "neorealists" there are, however, according to certain observers in Helsinki, purely party political divisions--and also in some cases perhaps even a certain fishing for Soviet sympathies.

A source close to the Foreign Ministry is of the opinion that Professor Vaeuynen's criticism of the choice of Egypt, for example, as one of the country's on Finland's Third World aid program should be seen as a move to please the Soviet Union. For Moscow hardly looks favorably on stronger Finnish-Egyptian cooperation.

Social Democratic Party leader Kalevi Sorsa has not involved himself in the polemics personally. But it is well-known that several of the debaters in the "idealist" school are close to him.

One interpretation of the real meaning of the Finnish debate is therefore that the "neorealists," through Center Party man Korhonen (and Foreign Minister Vaeuynen, also of the Center Party), are trying to undermine the Social Democrats. And the Social Democrats--or "idealists"--are in turn trying to satisfy both their domestic party interests and the Soviet Union.

COT'S SEGUY ON 'RETHINKING EUROPEAN TRADE-UNIONISM'

Paris LE MONDE in French 5 Feb 81 pp 1, 34

[Article by Georges Seguy, Secretary General of the COT (General Confederation of Labor)]

[Text] When the ETUC [European Trade Union Confederation] was founded 8 years ago it responded to a need felt by workers in most Western European countries struggling with similar difficulties.

By that time the strengthening of capitalist domination, particularly the spreading of transnational economic powers to Europe, posed economic and social problems leading workers and their trade union organizations to consult with each other, to draw closer together, to seek the best means to coordinate their action for joint demands, regardless of what their political orientation or international affiliation might be.

The concept of unity thus prevailed during the founding of ETUC and it is not without interest to recall that the majority of its founding members rejected the proposal to add the letter L (libre) [free] to the confederation's acronym and opposed any mixing with the CISL (Confederation internationale des syndicats libres) [ICFTU, International Confederation of Free Trade Unions], and any discrimination against organizations likely to join the ETUC later on.

The least one can say about the ETUC on the eve of its eighth anniversary is that it is far from having fulfilled the hopes that its founding inspired among European workers.

There is no need for polls or consultations to know that a good number of European workers, particularly the youngest ones, are unaware of the existence of a European trade union confederation and if those who do remember its founding were asked "What does ETUC do?", the majority of them would answer "Nothing!"

Regardless of whether one is a member of ETUC, there are no grounds for rejoicing over this negative report.

There are eight million unemployed in the countries of the Community. The European trade union institute reckons that if nothing is done that number will have doubled in 5 years.

In all countries inflation tends to erode the purchasing power of wages and social security benefits, sometimes to a great extent.

Austerity strikes on all sides: veterans' benefits, increased taxes; public services and nationalized enterprises called into question, collective and social facilities reduced, immigrants expelled.

At the same time trade union rights are attacked, the right to strike is regulated, restricted, even suppressed in certain categories, and human rights are held up to ridicule by the *berufverboten*¹ kind in effect in the FRG.

Multinational companies exploit, pillage, impose their law, and violate social legislation with impunity. But they do not face the counter-attack of a trade union force whose potential existence is quite real, but which does not materialize for lack of organizational structures and appropriate orientation.

Was the ETUC in a position to confront the crisis which crashed down on the capitalist world, to resist, even prevent the tragic economic and social effects of this crisis?

Certainly yes! If it had placed above all considerations the defense of workers' interests against those of capitalism, if it had provided itself with the means for vigorous autonomous action uniting all trade union forces representing European workers, without exclusion, if it had played a dynamic opposition role, waging struggles and advancing proposals, including some at the industrial level, likely to counterbalance, particularly within the EEC, the weight and the policies of the European and international coalition of the great industrial, financial, management and governmental powers.

But the ETUC accepted the crisis as a sort of inevitable development flowing out of a universal, inexorable phenomenon. By doing this it put itself in the position of resigning itself to the austerity extolled by Western European states and managements in the name of a solidarity which is higher than the classes facing adversity.

Beginning with an idea of Europe's disregarding the realities of class, the ETUC constructed its thesis on the basis of the argument that social problems can only be solved at the European level. With this point of view the ETUC became so much integrated into the EEC that, for many, it seemed to be a kind of trade union appendage of that European institution.

Moreover, rather than disregard little partisan political developments, its majority tried to have its own ideology predominate in the organization and on this basis succeeded in keeping out some of the most combative and representative organizations of wage earners in their respective countries, as is the case in France.

In June 1980 the general secretary of ETUC did not hesitate to write us that the refusal of our request for affiliation was based on /"your fundamental conception

¹Prohibition on professional groups from expressing political opinions

of society, your political practices, and your international trade union affiliation..."/ (passage enclosed in slantlines printed in italics)

For a Unitary Organisation

I refuse to believe that this intolerant judgment, bordering on sectarianism, expresses the feelings of all the trade union leaders who had occasion to give their views on the affiliation of the CGT with the ETUC. Or else each of them ought to explain what kind of society has to be espoused in order to have the right to be a member of ETUC. From liberal capitalism with a market economy, passing through codetermination and self-managed socialism, it is easy to imagine the cacophony such an explanation would cause.

Moreover, to my knowledge it is the first time that the question of international affiliation is officially posed as condition for ETUC membership. On the basis of these factors it is clear that the workers of Western Europe do not have the ETUC they need today.

They need a unitary organization eliminating all discriminatory attitudes, respecting and reflecting the plurality of the Western European trade union movement, responding to the spirit of worker solidarity inspiring workers, a militant organization able to mobilize them in a coordinated struggle based on joint objectives and common demands.

They need an active Confederation in the EEC, but one that is independent of its policies; they need an organized trade union force resolutely opposed to the dominating and hegemonic power of transnational groups.

They need a regional organization determined to lead the progressive and peaceful aspirations of the workers, to propose democratic reforms within the Common Market to move toward the perspective of a workers' Europe, to favor openings toward the trade union organizations in the other part of the continent, and to dialogue and take joint action with them.

It is not too late to rethink the ETUC and give expression to the unitary will of European workers, but it is time to work at it.

These considerations may appear abrupt to a number of European trade unionists, but I am convinced that they express aloud what many are silently thinking. Above all they mean that the CGT is not moping about in resentment, but proposes to consider the future with lucidity and with a unitary spirit.

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PASOK PARTY LEADER INTERVIEWED ON EEC ACCESSION

Athens EKRONISI in Greek 8 Feb 81 p 3

[Text] Panhellenic Socialist Movement **[PASOK]** President Andreas Papandreu gave the OIKONOMIKOS TAKTYDROMOS weekly a very important interview concerning Greece's accession to the European Economic Community (EEC) and the related problems. In the context of the interview which was published the day before yesterday, the leader of the Opposition responded to a series of questions submitted by the editor of the periodical, underscoring among other things the following:

- a. The accession aggravates all the critical economic problems facing the country, undermines the basic production sectors, and will have painful consequences for all the working people.
- b. PASOK as the government plans to seek in a plebiscite a popular mandate to negotiate a special relationship with EEC, but first it will call on all the parties and the genuine representatives of the productive classes to present their views through the media, whether they are in favor of the accession or against.
- c. But even if we were to remain in the EEC, a PASOK government is determined to protect by every means the interests of the working people, and will not hesitate to invoke the escape clauses and safety valves provided by the Treaty of Rome.
- d. Nevertheless, Papandreu emphasized that we are almost certain that the efforts within the community framework will not be enough, in which case we will ask for the renegotiation of the Accession Act.
- e. And if in the end the only way to implement the development plan for our country is the violation of the agreements, we will not hesitate to do that also.
- f. Replying to another question, the PASOK chairman analyzed the details of the EEC-Yugoslav agreement and the benefits derived by Yugoslavia, contrasting them with the policies of the Greek government and its weakness which resulted in unreasonable concessions to EEC.
- g. Papandreu emphasized that in the case of certain improvements on working conditions and the protection of the working people called for by the accession, the government of the Right succeeded in getting their implementation...postponed.

h. By contrast, the government of PASOK does not need any foreign pressures to take the most extensive measures for the working people.

i. Speaking on Greek emigrants, the PASOK chairman declared that the basic objective of the government of Change (PASOK) will be to create conditions which will make their return possible.

j. With regard to the cooperation with the European socialist parties, A. Papandreu stated that it develops very satisfactorily on the points of agreement while there is mutual respect, or even support, on differences.

k. At the end of the interview, the PASOK chairman repeated that the Movement is determined to move ahead with the great change desired by the people, regardless of or in spite of the accession.

The Questions

1. The position of your party as well as your personal view is totally negative on the question of the EEC accession. You have repeatedly characterized as catastrophic for Greece this decision of the Greek government. Do you think that the negative consequences will affect all sectors of the economy and all classes of the working people to the same degree? Are there, by any chance, any categories which will not be affected or could you even perhaps identify the classes that will benefit?

2. PASOK has declared that it will submit to the judgement of the Greek people in a plebiscite the question of the accession to EEC. If the president of the Republic agrees to hold the plebiscite and the result is negative (against our membership in the EEC), will PASOK withdraw Greece from the EEC? Such a momentous decision will have not only positive but also negative consequences for certain branches (for example, the importers, certain categories of farmers, the exporters, and the producers of export products, and so on). Have you studied those consequences in detail and in depth and will you inform the Greek people prior to the plebiscite so that they will know the specific consequences of their vote?

3. If in the end the conduct of a plebiscite is not feasible, what other alternatives are you contemplating? Are you considering, for instance, the possibility of opening up the renegotiation of certain clauses of the Act of Accession?

4. You are claiming that instead of the complete accession to EEC an agreement more beneficial to Greece would be one similar to the one recently signed between Yugoslavia and EEC. Since almost nobody in Greece knows much about the content of this agreement, could you give us some of its basic points so that the people can learn about its advantages and also in what way it differs from full accession?

5. Why is PASOK limiting itself to a condemnation of the accession instead of systematically discussing it by referring to the specific provisions of the Accession Act and of the Treaty of Rome, as well as to the essential omissions, in our opinion, on the part of the government concerning the introduction of those

measures and institutions which will facilitate the full utilisation of the positive aspects of the accession?

6. Because very little has been said so far about the effects of the accession on the workers and employees, would you like to tell us if you agree that the accession will have essential, positive consequences on the level of salaries and wages, the protection of syndicalist freedoms and social security? Also, do you agree that the accession will have beneficial effects for the Greeks who are working in EEC countries since they will acquire the same rights as the citizens of the host country?

7. How do you plan to utilize the close contacts you have developed lately with almost all the socialist parties in the West so that the accession to EEC will be less painful for our country and the common interests of all the underprivileged classes with the close cooperation of the popular strata in the European countries?

8. Taking the accession to the EEC as a fact, what suggestions do you have for the Greek citizens as a political leader who expects to govern and may assume such responsibilities during this year, so that the accession will be more fruitful and the movement of our country into the wider European economic area covered by the EEC less painful?

The Answers--Chain Reactions and Broadening the Crisis

Isolating certain branches of production or certain categories of workers who appear to be unaffected directly or who are supposed to benefit from the accession is a deceptive method for assessing the effects of the accession. A question of balancing profits and losses ceases to exist once we accept that the accession will aggravate all the critical problems facing the country: inflation, balance of payments, reduction in investments, recession.

The accession threatens to destabilize the most basic sectors of production and to have painful consequences for all working people.

Industry is left exposed not only to the competition of the capitalist monopolies but also to the products of the developing countries. Important branches and a large number of small and middle-sized enterprises are in danger of being pushed out of the domestic market and consequently of disappearing, while the accession does not open new markets for other branches. The prospect of reduced demand for Greek products is one of the reasons, moreover, for the current investment crisis.

Agriculture is turned over to a system of "common policy" which leads to the desertion of the countryside, and scandalously favors the "northern" products against the Mediterranean and the large farmers against the small farmers. If things remain the way the government has accepted them, it would be impossible to preserve in the coming years the purchasing power of our farmers without a continuous and extensive devaluation of the drachma.

It is self-evident that the accession will not harm directly or to the same degree all branches and all incomes within each sector. More specifically, in the sector of services, many categories of businessmen will be hurt by the right of free entry of foreign entrepreneurs, while for other categories the accession will

appear as an different development. One may even note cases of small groups, of importers for example, who may derive short-term benefits from the accession.

But what can be the significance of this compared to the increase in unemployment, the worsening of inflation and the balance of payments, the reduction in investments and in the national product?

Beginning with the sectors which are threatened directly and vitally there will be chain reactions resulting in a generalized and deeper economic crisis in this country.

The categories of working people who under a static examination⁷ appear to be unaffected or may even benefit by the accession--these categories, too, will suffer heavily by its consequences.

People Should Be Asked to Decide

We have repeatedly said that if the president of the Republic refuses to allow the holding of a plebiscite he will be making a mistake. Since the plebiscite will take place, it is unthinkable that its objective will be merely to assess public opinion. It is clear that the people will be called to make a specific decision which for any democratic government, and much more for our government, will constitute a mandate for its implementation.

We believe that our withdrawal from the Community, if this is the people's verdict, will have momentous repercussions to the extent of the negative effects of the accession which I outlined in answering your previous question. It is useful, however, to remind you that our assessment of the consequences of accession, in addition to the responsible study and analysis of the realities of our economy, is supported by the record of the Community in its own area. I am speaking of the unquestionable widening of the inequities between the more advanced and the less developed areas of the Community and between the high and the low income groups, according to the official community data which I recently presented to the Chamber of Deputies. These results, after 22 years of existence, show that the framework and the rules of the Common Market operate against the semi-developed industrial areas or members which are located on the periphery of the capitalist center.

It is also useful to remind you that our withdrawal from the Community in no way implies that we will cut our relations with it. Our intention is--and this is the mandate we will ask to receive from the Greek people--to negotiate with the Community a special relationship which will reflect the country's true interests.

With regard to the enlightening of the Greek people there will be for the first time a principal new element, following the rise of PASOK to power, whereby in the framework not of a special measure but of our general policy on the use of the media, the opposition parties and the genuine representatives of the productive classes and of the consumers--including, of course, those who believe that they benefit from the accession--will be invited to present their views to the Greek people under the same terms and on the same basis as the government.

We Shall Fight Within the Community As Well

A PASOK government will fight on all levels of the Community and with every means at its disposal to defend the interests of the working people. The fight we will conduct within the Community and its institution will have two directions.

The first concerns our position in the tough negotiations taking place--and it is not difficult for us to be tough--between the member-states for critical decisions, such as those which determine the support prices for farm products. The second direction refers to the wider effort for changing the institutions, the regulations, the operational terms of the Community; to strengthen the protection system for Mediterranean products, to establish a truly regional development, and to recognise Greece's right to implement the national policy required by its development.

This latter issue is especially significant. A basic disadvantage of the accession, which accounts largely for the bad effects, is that it limits the possibilities of exercising a national policy, either because critical decisions for our economic policy will be made outside Greece on criteria based on the interests of the powerful, as is already proven, or because the rules of the Common Market, which were established or which operate in the context of the capitalist economy and of the monopolies, prohibit the taking of measures which are absolutely necessary to stop the downfall of the Greek economy and to set the foundations of its independent development.

The obligatory discipline to a framework and a policy which up to a point are determined outside Greece cannot be more effective than the levels of national policy when the will and the ability exist to use them properly. We are fully aware how difficult will be the timetable to overturn the foundations on which the Community now rests. But it is a fact that those foundations are increasingly questioned within the Community itself, and that in our effort we will have the precious cooperation of the socialist and progressive forces which now say openly "either the Community must change or we should leave."

To implement the necessary policies we will use extensively the escape and safety value clauses contained in the Treaty of Rome on the condition, however, that the Community will not raise, as it usually does, conditions of implementation which will nullify the purpose these clauses were designed to serve.

We consider very likely--almost certain--that our struggle within the context of the Community will not be enough to protect our interests. Therefore, we will ask for the renegotiation of those arrangements in the Act of Accession which hurt the Greek interests.

Finally, I have emphasized that if the only solution for the program of economic and social development for the country is to violate the treaties we will not hesitate to do that as well.

There are many precedents of renegotiations within the Community which resulted in new arrangements, as well as precedents of unilateral actions by member-states which felt that some of their important interests were violated, so that my statement is made without difficulty on my part.

The reply that the national interests are more important than the Community rules only for the major countries has no validity. A Greek government, strong and determined, will not find itself in such a disadvantageous position as some people think. The Greek market is no less important to the Community than the Community market is to Greece.

Relations Should Correspond to the Level of Development

We have specifically spoken of the agreement signed between the Community and Yugoslavia--a nonaligned state, European and Mediterranean, as stated in the preamble of the agreement--because it is the most recent and the most comprehensive agreement of cooperation signed by the Community. It covers the economic, technical, and social sector, the trade exchanges, and the financing of the Yugoslav economy. The agreement specifies that the role of the Community in the development of production and the improvement of Yugoslavia's economic structure will be complementary to the efforts of that country. The goals and the priorities of Yugoslavia's developmental plans are recognized. The different level of economic development between the two parties and the need to assure a better balance in their trade relations is taken into account.

In the implementation of these principles the export of Yugoslav industrial products to the Community is, as a rule, duty free, that is, without quotas, customs duties or other protectionist measures. Exceptions to this are certain sensitive products for the Community, but for these, too, there are provisions for progressive liberalization.

In the agricultural sector, the Community offers favorable conditions for the export of Yugoslav farm products, processed or not, which are of particular interest to the Yugoslavs, such as maize.

Finally, with regard to the Yugoslav nationals who are working in the Community, the agreement provides for the same working conditions and pay as those applying to community workers and the same social security benefits and obligations for them and for the members of their families living with them. The agreement also provides for the broad development of industrial, technical, and scientific cooperation.

A decisive element in this agreement is that in exchange for this wide opening of the community borders and the other favorable arrangements, Yugoslavia does not assume any essential obligation toward the Community. In fact, it retains the right to reintroduce customs duties and quotas if such action is called for by its industrialization and development. (Translator's note: To reintroduce, Yugoslavia must have agreed to cuts in quotas and duties. Papandreu avoids any discussion of these.)

Our position is not that we will try to obtain identical arrangements. Each agreement has its own peculiarities determined by the economic or social characteristics of the country negotiating with the Community. The interesting part is that with this agreement as well as with other similar agreements, the Community recognizes in practice something which does not apply to its member-states, namely, that a country's lower level of development justifies a special relationship,

special treatment which allows a country to follow freely the course it has chosen because it believes that such a course serves the real interests of its people. For us this course goes through national planning and leads democratically to the great socialist change.

EEC Obtained Unreasonable Concessions

A study of the terms of accession gives indeed the impression that the Community needed more protection than Greece during the transitional period. So much so that the transition period was set for 7 years at the request of the Community instead of 5 years. Whenever there is a security clause it works only against Greece. These conditions and many others clearly show--and we are no longer surprised--how much the government proved to be inadequate both at the political and the technical level of the negotiations. The Community, as acknowledged by its spokesmen, benefited by the Greek weakness and obtained unreasonable concessions. Where is the communal solidarity so often invoked by the government? What will change after the accession--I mean in the Community, not in the Greek government--when issues will come up for negotiation and the interests of other member-states will be in conflict with those of Greece?

Many times we have criticized the terms of the accession. But the main point is not that the accession should have been made less painful. The point is that the accession should have not taken place at all. Therefore it was more natural for us to emphasize much more the total rejection of the accession than to discuss its terms.

Unfavorable Consequences for the Workers and Employees

I think we must separate two things. There is no community regulation which provides for the equalisation or approximation of minimum wage levels in the member-states. The level of wages and salaries is determined by the national social policy and of course by the increase in the productivity and the rate of growth of an economy. If, as we believe, the accession acts as a barrier to economic development and growth it will have unfavorable consequences on the purchasing power of the workers and employees.

With regard to the social protection of the working people, there are indeed community regulations concerning the improvement of working conditions and social security. For some of them, as a matter of fact, the government sought and succeeded in postponing their implementation.

A PASOK government does not need outside pressure to improve the working conditions and the [social] insurance of the workers or to develop the syndicalist freedoms. These are basic measures that PASOK will take immediately, to a degree higher than that required by the Community because it considers it its duty toward the working people.

You also mentioned a third subject--the position of the Greeks who work in the Community. I remind you that this is one of the cases where the government accepted a 7-year transitional period to safeguard their rights, while in the previous expansion of the Community no such transitional period applied to the new members.

PANU's goal is to create in Greece as soon as possible those conditions which will enable the expatriates to return home and to work in their country. Until those conditions are established, the rights of Greek emigrants will be safeguarded along the same lines as those provided by the Yugoslav agreement.

Considerable Cooperation with the Socialist Parties

The continuing development of cooperation on foundations which are already set and which according to plan are satisfactorily developing is a guarantee for the utilization of our relations with the socialist parties. The points tying us together on the most critical issues of our time are many and substantial. They include the struggle for detente, the liberation from the monopolies and the oligarchy of wealth, and the realization of popular sovereignty. The special conditions which exist in each country require at times a different treatment of the specific issues. But even in this case the understanding of the respective conditions of each one leads to an understanding of views, and to respect and even support of its positions by the other socialist parties. This is particularly important for the common struggles we will wage within the Community and especially within the European Parliament when the socialists are the strongest group, outside the Community as well, for detente, disarmament, socialism, and democracy.

PANU Will Move Toward the Great Change

I am afraid I am going to disappoint you because I have nothing specific to suggest to the Greek people because of the accession to the European communities, in spite of the fact that the accession will aggravate the existing problems and will create new ones.

PANU will move forward to the great change desired by our people and needed by our country regardless or even in spite of the accession. The only way to tone down the effects of the accession, until the people have the opportunity to decide on its fate in the plebiscite, is to have a government with the will, the power, and the ability to protect the interests of the country by every means in its relations with the Community, as I have said in response to one of your previous questions.

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CSC:4908

'DEVIRINCI SOL' BLASTS JUNTA FROM EXILE

DEVIRINCI SOL leaflet in Turkish (place of publication, date not given)

[Text] On 12 September 1980, the Turkish Army, which cleaves to American imperialism and the NATO generals' chain of command and which holds Turkey under a covert occupation, established a junta--read: overt fascism--in Turkey by abolishing the existing pseudoparliamentary "democracy."

Let us try to analyze the present situation in our country by asking: What brought about this pro-American junta? What will it do?

A new era is dawning. Actually, from our perspective and the dialectics of Mahir Cayan, this era comes as no surprise. On the contrary, it bears out the views of Mahir Cayan--and Devrimci Sol (Revolutionary Left). In other words, it bankrupts the views of revisionists who say that fascism is not on the rise. Revisionists, who regard fascism as merely the NAP, were unaware of the clear danger of the fascist junta. According to them there was no possibility of fascism; there were only democratic rights and institutions. The revisionists, who put Turkey in the same bag with imperialist countries, refused to believe that existing pseudodemocracy could be wiped away in a night. Yet, this had occurred on 12 March. But, still, according to the revisionists, fascism could not come from above; fascism was not covert. There was only NAP fascism.

The 12 September fascist, pro-American junta smashed these views. A fascist-oriented government emerged. It demonstrated to the entire world that democracy was only window dressing. Now the revisionists--the Turkish Communist Party, Turkish Workers Party, Turkish Socialist Workers Party, etc--must put their heads together and start thinking. They must find answers to: What happened to this escalating fascism? Why a junta?

During the period in which the 12 March memorandum was produced, Mahir Cayan performed an analysis of regimes in neocolonial countries. The analysis was unable to address democracy in neocolonialist countries in which bourgeois-democratic revolution cannot occur. "Democracy" in such countries was democracy swept away in a night as had happened on 12 March and 12 September but instantly restored by military order, to then be safeguarded by these forces.

Under these circumstances the perpetuation of an oligarchic regime with a parliamentary (democratic) facade was no more than covert fascism (a semimilitary regime).

Nahir Cayan regards oligarchic regimes in countries like ours as covert and overt fascism and, therefore, states that junta will succeed junta.

The pro-American fascist junta that took power on 12 September punctuates the accuracy of this analysis. Cayan settled once and for all discussions about fascism's waning and whether there was democracy--issues over which there had been such controversy. Now there is one obvious fact that no one would dispute (excluding, naturally, the junta's toadies): An overtly fascist regime has come into being.

Conditions That Spawned the Junta

What causes oligarchy to resort to overt and covert fascism? The reasons/conditions guaranteed the emergence of the 12 September, pro-American fascist junta. Overt-covert fascism is the governmental form to which an oligarchy must resort because oligarchy cannot implement democracy. On the contrary, it is democracy's enemy (and, in a real sense, even the enemy of bourgeois democracy!). What forces oligarchy in this direction is its powerlessness. Monopolistic capitalists, who in political and economic spheres illegally bequeath a country to imperialism and who think of nothing but heaping up more profit, fuse poverty and constantly rising inflation with political pressure and violence. What is this predicament? Marxist literature calls its national crisis. It is because our country is in a perpetual national crisis that the oligarchy's inability to rule makes inevitable frequent changes of government, the regime's trampling upon its own laws, martial law periods one after another, and, ultimately, resorting to a military regime.

The oligarchy thought that it could "remedy" its ineffectiveness with the 12 March memorandum. It used repression and violence while altering the Constitution, but even in the 12 March period governments followed one after the other.

The post-12 March situation perfectly displayed what kind of straits the oligarchy was in. The period between 1973 and 1980 was one in which governments changed every 6 months, devaluations occurred, poverty reached the limit, and repression and terror became mass murder. Those unable to see that the root cause of this situation was the oligarchy's lack of control (in other words, in its recourse to fascism)--or restated again, the existence of a national crisis--reduced the problem to debates of form without substance. The oligarchy's spokesmen spouted: "The Constitution is the source of the problem; it is the electoral system, etc." That is, the law promulgated by the oligarchy became its own obstacle. What is one to expect but a regime that when put on the spot constantly repudiates itself.

It was thus inevitable that an oligarchic regime in this position would resort to a junta. How can an idle government make itself viable? The Military administration ultimately and as a last resort is subsumed by oligarchy and imperialism.

Devrimci Sol illuminated this situation in its No 1 edition in March. It was explained that the oligarchy was using all its trump cards, that, as a result, there was no other "remedy" but a military regime, that the January 1980 military memorandum was proof of this, and that there were efforts afoot to create a junta atmosphere. These were things visible to everyone living in Turkey and wishing to see the truth. But no one lent an ear to Devrimci Sol's warning. Devrimci Sol wrote:

By now all coalitions and parties have been tested one by one. The MPP and JP coalitions have been able to achieve any of their exploitationist interests. Moreover, economic crisis and 'anarchy'--as the oligarchy calls it--are not coming to a halt.

"What is to be done then? In this situation the army's taking control has become an 'inevitable' duty. The army's memorandum is an indication of this and the necessary milieu is being created by propagandizing that 'there is no other way' than the army taking over..." (Devrimci Yol, March-No 1).

Despite this the Turkish left embodied an insensitivity that was puzzling. It were as though the memorandum had never been issued. Everyone virtually convinced himself that there was no danger of a junta. They theorized reasons for a junta takeover. For example, DY (Devrimci Yol--Revolutionary Way) wrote:

It is at present accepted by almost everyone that the ruling classes, administrative shortfalls, and U.S. interests in the Middle East are paving the way for a fascist dictatorship in Turkey. Such an assessment, however, does not by itself explain the present, fundamental policies of the ruling classes." (Devrimci Yol, June No 36).

The best answer to this carelessness, we believe, is the fact of the pro-American junta coming to power on 12 September 1980.

The junta's declared purpose for taking over clarified how and why the junta arose. The goals of the fascist General Evren explained his reasons for seizing control:

- We warned many times. We said everything there was to say.
- The government lacked any authority.
- The country was on the verge of civil war.
- Officials were unresponsive.
- Anarchy, terrorism and divisionism were out of control.

These then were the reasons for the junta's taking over. The government lacked any authority, unresponsive officials, anarchy! In other words: oligarchic impotence and class struggle.

As a "remedy" the junta proposes to draw up a new constitution and change the electoral law. The activity of unions and political parties have been banned (silenced) and a regime installed that will punish all reaction....

Everything is being illuminated like day. The pro-American fascist junta has emerged as the "remedy" for oligarchic and imperialist impotence. However, the junta has incorporated the oligarchy's problems into its own program. The junta's goals are those of oligarchy and imperialism. This fact betrays the junta's class base.

The Junta's Class Base

The generals' fascist junta has clearly showed itself to be a means through which American imperialism can occupy our country. The junta's leader during a 17 September press conference was unable to respond to a reporter who asked about the United States receiving word before 5 o'clock in the morning. He did say that the

United States had registered condemnatory comment. The United States, however, is not a country controlled by men so off the track and deprived of reason as to say in commentaries, "There is a junta in Turkey." Yet, even this response shows that the strings of the Turkish junta are in U.S. hands. Two days prior to 12 September the air force commandant returned from the United States with instructions. And the United States was carrying out maneuvers throughout the Middle East. It permitted Iraq to attack Iran, Israel to attack the Palestinians, Jordan to attack Syria and installed a military junta in Turkey.

There is no one unaware that Turkey is the neocolonial possession of the United States and that its army is run by NATO and U.S. generals. Although even ordinary citizens now know the facts, who of them criticizes General Evren? Yet, can a military regime that does not receive U.S. military support be successful? Who can run a junta without taking orders from the fat cats? Whose money will cover military expenditures and foreign loans? Where will you get spare parts and imported goods? The junta in a country bound to economic imperialism and whose army is NATO-dominated cannot be oblivious to imperialism.

The generals' fascist junta came about on U.S. command. For this reason the United States and other imperialist countries were the first to applaud the junta.

The imperialist junta, which satisfied the need for a covert occupation army, has run into difficulty from a balance-of-forces standpoint in the Middle East. After Iran was liberated from imperialist domination and the Soviet intervention in Afghanistan, the United States embarked on the creation of a new balance of power. The Israel-Egypt-Turkey triangle afforded the United States the best insurance. Recently, Israel's worldwide infamy over the Jerusalem issue, the increasing discontent in Arab countries and the unification of Syria and Libya have alarmed the United States. It is particularly vital that Turkey be stabilized if a powerful triangle is to be forged. Turkey, however, is destabilized. The class struggle has been continually heating up. Turkey needed a regime that permitted no democratic reaction whatsoever, silenced the masses with repression and violence, shut down unions, exploited workers to the utmost and imparted governmental stability. This regime could only have been a junta-style government.

Thus, the 12 September fascist junta was brought into being per CIA planning. It is a pro-American junta. It is plain as day that there is no connection at all between the junta, which came to power as the National Security Council, and the national interest. The junta defends en toto U.S. interests in the Middle East and, as a matter of fact, does not deny this.

The fascist domestic class support is composed of monopolistic capitalist, bankers, major export-importers and large landowners.

There are conflicts between these classes and class sectors that we call an oligarchy. Oligarchy's ineptitude exacerbates the conflicts between various factions within it. Conflicts between political parties are reflections of intra-oligarchic conflicts within the parties themselves.

The generals' fascist junta is today based on the reconciliation of the various intra-oligarchic factions. Each Demirel, Ecevit and Turkes faction does not have

the strength to act alone. For this reason they are presently reconciling. An atmosphere of reconciliation now pervades the junta. Up until this point the oligarchy wanted to expunge the NRP—which represented feudalism's remnants: landlords and merchants. For, according to the oligarchic system, instability in one respect feeds off reconciliation with feudal remnants. Although trying to expunge this power during the 12 March period, the oligarchy failed and realigned with it. Now it is again desired that this enemy of Ataturk and the Republic be removed using as grounds heroin smuggling. In this way it is hoped that stability will be insured. In short, we might say that 12 September completes the incomplete 12 March operation.

Today there is an intra-oligarchic reconciliation (excluding the attitude toward Erbakan; it remains unclear what direction this attitude will take). This reconciliation demonstrates the intrinsic impasse within the oligarchy. These conflicts will become more pronounced as the struggle develops.

Despite reconciliation within the junta, the JP faction is prominent. Changes the JP had wanted have been incorporated verbatim into the junta's program: constitutional change, the electoral system, the political parties law, etc.... K. Evren has said that JP economic policy will continue intact. Demirel's economic adviser Turgut Ozal is now K. Evren's closest adviser and a deputy prime minister. The fascist junta's economic and political policies are those of the JP.

The prominence of the MP faction does not disenfranchise the RPP and NAP factions, but it already demonstrates that there will be a violent struggle tomorrow.

The Junta Is Not Ataturkist, It Defends Fascist Ideology

The fascist junta, like all the bourgeois parties, is forever talking Ataturkism.

The junta has worn an Ataturkish-Kemalist mask so as to, on the one hand, be able to maintain a balance of power in its favor while, on the other hand, being able to attract oppressed democratic, Kemalist circles into its camp. In truth, there is no interest in Kemalism.

Kemalism is the Turkish people's national liberation struggle against imperialism. To be more exact, when Kemalism is mentioned, the poems "Either Revolution or Death" and "Independence" come to mind. This is what distinguishes Kemalism. Look at what that buffoon Evren, who appears as the junta's chief, is doing: a surrender in the fullest sense to imperialism and NATO wrapped in Kemalist garb. It is incredible.

But what a pity that these men, who know that Kemalism is independence, have again begun, through some fears and errors, to cheer Ataturkist demagoguery just as on 12 March.

The Character of All Dictatorships Is Fear, Terror and Force

It has been impossible for dictators from the fascist Pinochet to Somalia and the shah of Iran to insure the people's prosperity or rescue oligarchy from economic crisis. Their transitional governments can survive only through fear and terror.

Their own internal disputes, economic crises and popular revolutionary movements deepen conflicts with every passing day and ultimately render these conflicts uncontrollable.

All Our People

There is no other way than to retaliate against this fascist dictatorship that has abolished every right through torture, massacre and terror and has shamelessly trampled human honor and the rights and national honor of Kurds and Turks.

Our people are mistaken to think that the junta will provide security of life and limb. The junta has come not to insure security of life and limb but to choke with blood class struggle and fortify imperialism's power. Perhaps in the short term the NAP civilian fascists, who threaten us in our homes, our businesses, and in the streets will cease to exist. But official fascists who replace them and who are orchestrating hundreds of massacres daily are now on the loose. Henceforth, the wisest thing the NAP could do is to remain in the background, since the Turkish Army and the American pashas are doing exactly those things the NAP had in mind.

In Turkey as of today over 100,000 toilers are crammed into prisons; several are murdered daily in torture chambers.

All unions, strikes, publications, etc have been banned, and, by virtue of legal changes, all fascist police and soldiers have been granted the license to kill to their hearts' content.

Presently one-third of the budget is being allocated for military expenditures. Overt fascism is much more expensive. These current expenses will take up at least half of tomorrow's budget.

All Aid Provided the Junta Will Become a Bullet Fired at Us

All the expenses of the fascist junta must be extracted from impoverished toilers.

The 70 percent-worth of "pocket money" given workers cannot resolve anything. The junta would like a stronger labor force and greater production in order to defray into increasing expenses. Future devaluations and rising inflation will drag millions of toilers into deeper poverty and misery. The junta is trying to make them work with rifle butt persuasion. Price hikes have now begun; a series of devaluations will follow.

And the junta, as an initial step, has abolished all rights such as unions, strikes, associations, etc.... Otherwise it would have been impossible to have forced labor.

The path to liberation from repression, terror, torture and poverty is unity and struggle.

The Rights of Workers, Peasants, Proletarians, Patriotic Soldiers and Police and Oppressed Kurds and Turks!...

There is no other recourse than struggle against this tyrannical, pro-American fascist junta. Americanist generals and collaborator capitalists cannot take 45 million people hostage.

The fate of the shah in Iran and Somoza in Nicaragua will be that of fascists like Evren.

No dictatorship has ever perished on its own. Therefore, struggle is required. Today there exists a platform that can unite all who oppose the junta, fascism and imperialism.

We must not allow dictatorship; we must oppose all its tyranny; we must make plain that it is collaborating with imperialism and that it is not Kemalist.

The junta's defeat is possible through our struggle.

Our Friends and Enemies

All who oppose the junta are our friends.

Those supporting the junta, actively giving assistance, orchestrating massacres, giving orders, all types of informants;

Americanist, junta-collaborator capitalists;

Fascist officers, NCS's, police and officials in any post;

Imperialists institutions and their staffs as well as [foreign] fascists within our country are all our enemies.

Our weapons are directed at these enemies; no oppressor will go unpunished. Their tanks and cannon take 45 million people hostage.

Victory will belong to the Turkish people who struggle.

Down with the fascist pro-American junta! [This and remainder of article in boldface]

The junta cannot defeat us!

Evren's fate is Somoza's fate!

We will defeat the fascist junta!

The junta cannot take 45 million people hostage!

CSO: 4907

LETTERS BLAST JUNTA OPPRESSION, TERROR

Spanga ARMANC in Turkish Jan-Feb 81, pp 8,9

[Two letters from readers]

[Text] Oppression, Terror, Deprivation Stalk Kurdistan

Comrade ARMANC directors!

As you pointed out in your article, the colonialistic, monopolistic bourgeoisie's fascist military forces have once more justified themselves for seizing administration, showing as the biggest trump card in their justification the so-called liberated areas and the clashes in our country which serve no other purpose than destruction. Not even the heroism (!) which the Apoists [arm of Kurdistan Liberation Organization] still engage in here and there is a rationale which the bourgeoisie can understand. Yet thousands of people whose breath smells of unemployment and hunger, who are next to death under oppression will nevertheless thank the junta.

The junta is trying to mow down every obstacle which rises before it. It is especially bloody and free with the gunpowder in putting down armed opposition. It follows the revolutionaries who flee to the countryside and kills them where they are caught. And every time, it finds a cover for this. If they did not kill them, what they would get would be worse than death.

The juntaites employ the following method against revolutionaries: Those who have once been investigated, have a prison record, etc., are absolutely put down (if they can be caught). Besides this, everyone who might be dangerous for them is kept under close surveillance. Some excuse is always found for them to be thrown into jail (and usually tortured). The prisons are so full that unimportant political cases are sent to civilian prisons. All the civilian and military jails are full to the brim. Efforts to open the new prison are being stepped up. Two or three people sleep in every bed at the Diyarbakir martial law prison. Eighty percent of the inmates have caught diseases such as the itch. And the food is disgusting. Actually, I think disgusting is not even an adequate word to describe it. Moreover, bringing any sort of food from outside is prohibited.

As for the courts, they are a world unto themselves! No one can hear anyone else. It is obvious that the courts are not independent anyway. Neither lawyers nor defendants are given the proper right to speak. If they were, no importance would

would be given to what they said. Most of the time, little notes pencilled on the MIT (National Intelligence Organization) file in the defendant's region dictate the decisions. Three to 5 years are given for even the slightest crime. There is no right of appeal to the Supreme Court in sentences of up to 3 years. The Supreme Court of Military Appeals does not examine the cases further, either. Especially organization crimes, aside from evidence bases on lies and false accusations, for instance if a person who put up an association poster is tried for hanging posters, he has to be fined 450 liras. However, if the same person is charged with carrying out the activities of that organization, he is given up to 8 years in prison. And so on and so on. Those who live will soon see that volumes cannot contain what has been done in these past 3 months.

I would like to point out one more thing: ARMANC is an important part of the DDKD (Revolutionary Democratic Cultural Association) cause. It was in the courts twice last month and ARMANC is considered the most important trump attempting to be shown as the most effective support.

The statements on page 16 of ARMANC are accurate and the incisiveness of the proposals made is making ARMANC accepted everywhere in Turkey and Kurdistan. This is all I shall write for now. I wish you success in your war.

A revolutionary democrat from Siirt.

Junta Oppression and Terror Continue

Dear Friends,

The junta's oppression and terror continues unabated in Kurdistan. Arrests, torture and unfair trials are as widespread as possible. For this reason, our war is being fought in the junta's dungeons under present circumstances. Despite all the torture, oppression and arbitrary practices, the revolutionaries determinedly defend themselves in court confrontations. And sometimes they are able to make the military courts' manipulations come to naught.

As a result of these efforts, the military courts even have to let some of them go because they cannot prove any crime. Certain friends from various provinces and districts have been released in 1980. These releases have allowed us to achieve the following results: First, we have competent, dedicated friends extremely resistant to torture. Second, we are digging in our heels. This second is frequently most important. Our friends are each a reminder that the struggle can be carried on in the courts and prisons. For example, a friend, though strong and healthy, lost teeth left and right and still bears the traces and pain of torture suffered 6 months ago. He has no idea of the means used for the torture.

I must say definitely that there is nothing in Turkey and Kurdistan but political decisions and their implementation. If any political group or sector of society must be punished, the plans and programs are prepared in Ankara. And are implemented in the same way they are prepared. They are careful to say that everything is done according to the "laws" and such. Now certain prosecutors and judges are making up the existing legal loopholes and omissions by word games appropriate to their new status. MIT and political police seem much more on the "job" than before. In any case, Turkey spends a significant part of its budget on "security."

DDKD-related cases are taken up in the courts by the methods I have tried to explain above. Trials of friends abroad are not so important. Those at home are more important. I am happy to report in this connection that our loss is not excessive.

The Apoists have suffered the worst. A major reason for the Apoists' falling into the trap is that they are not true revolutionaries and their actions are not planned, programmed and disciplined. They inform on each other and the number which has fallen because of it cannot be considered small. As a result, I must point out that the courts have had little to do with it.

We see that APMANC has begun to make itself more competent. We are extremely happy about this. However, communication remains an important problem. Despite the great problem created when they are arrested, it is necessary to help get broader distribution and this is possible, because APMANC becomes even more important under these circumstances.

This is all I shall write for now.

6 January 1981

Best wishes in your work.

A revolutionary democrat from Siirt.

H349

CSD: 4907

BRIEFS

BILL FOR INCREASED DEFENSE SPENDING--Folketing Finance Committee chairman Kr. Albertsen (Social Democrat) has now entered the debate on the defense settlement. He said that if a new defense bill calls for increased defense spending, the money must be raised by increases in income and capital taxes. It must not be covered by cuts in other areas. On Tuesday the Social Democratic Folketing group gave Defense Minister Poul Soegaard a mandate to resume negotiations with the Liberals, Radical Liberals and Conservatives for a new defense settlement. The Social Democrats gave Poul Soegaard permission to propose a settlement over the so-called zero-solution, which up to now has been the government's proposal. But no figures have been mentioned. Kr. Albertsen said that "if there is a proposal for additional spending over and above the present proposal, that is, the present level of defense spending contained in the budget and in the supplementary budget bill minus the extra spending on the F-16 aircraft, then the money will have to be raised from increased taxation on capital and incomes. "I do not think it reasonable for the Social Democrats and the parties supporting a defense settlement to increase the budget deficit simply to arrive at a defense settlement. For this reason the parties should be prepared to raise the money in some other way, but not by means of cuts," Kr. Albertsen said. [Text] [LD171629 Copenhagen BERLINGSKE TIDENDE in Danish 12 Mar 81 Part 1 p 6]

CSO: 3106

NATION NEEDS 'CREDIBLE' DEFENSE TO PRESERVE NEUTRALITY

LD1111517 Helsinki HUFVUDSTADSBLADET in Swedish 6 Mar 81 pp 16, 17

[Erik Appel report]

[Text] Tension in the world has grown, the risk of a nuclear war has come closer. The North Calotte, of which Lapland is a part, is a strategically important area, while the southern parts of the Nordic area are directly connected with military strategy on the continent.

Continued balance and stability in the Nordic countries is therefore important. So all the Nordic countries ought to avoid measures which could lead to negative changes in the current situation.

Finland's position is still stable, and the foundations of our security policy are unchanged. But Finland could nevertheless be affected by a superpower conflict, even though it is situated on the north flank.

In this situation what is principally needed is foreign policy measures primarily to preserve peace in the Nordic countries and to keep them and especially Finland out of any possible future conflicts.

In order to be credible, foreign and neutrality policies need the support of a defense force which can prevent our territory being used by a warring party in a conflict. In such a way the defense force supports our policy of neutrality and makes it possible for us to fulfill the commitments contained in the friendship, cooperation and mutual assistance treaty with the Soviet Union, for example.

These are more or less the central theses in the third parliamentary defense committee's recommendations.

However, the committee notes at the same time that the European powers, despite increased tension, are still attempting to protect the advantages won through detente and are trying to develop the detente process to the extent possible.

A conflict outside Europe does not necessarily have to lead to a war on our continent. But the risk of a superpower conflict has grown, and the increase of tension itself means that it is necessary for us to put our house in order.

As far as political means are concerned, the committee points to the Finnish initiative for arm control systems in the Nordic countries and the Kekkonen proposal for a border agreement with Norway. These would make a contribution to preventing conflicts which blow up elsewhere from spreading to the Nordic countries.

The committee notes with satisfaction the Sweden's nonalignment, supported by a strong defense force, is valuable from the Nordic and Finnish viewpoints, and it is also important for Finland that Norway and Denmark still adhere to limitations in their NATO membership.

It is important for security in the Nordic countries that all the Nordic countries avoid measures which could be considered to cause negative changes in the current situation, the committee states.

And the committee considers that our foreign policy ought to continue along the road already taken and promote detente, peace and disarmament.

But, as the world looks now, we must have a credible defense force. Our friendship, cooperation and mutual assistance pact with the Soviet Union commits us to this.

Of this pact the committee states that it is unlike ordinary military pacts, chiefly because the military cooperation is limited to Finnish territory and that it does not come about automatically. If our own resources are insufficient, the pact offers alternatives--political and military means to support our own measures--the recommendations state.

This means that we can have political and military help from our eastern neighbor, if we need it. However, we want to be able to decide ourselves whether and to what extent we need this help.

Regarding Finland's military-strategic position, the committee notes that there are no strategic targets in Finland which in themselves would tempt an attacker. Finland's military-political significance is therefore primarily dependent on the extent to which our territory can be exploited to reach strategic targets which lie outside it in a possible future crisis or war situation.

In such a situation our ability to remain outside hostilities is dependent both on our foreign policy and on our ability to defend ourselves and to make an attack sufficiently costly to make it unprofitable.

The committee noted that the development of nuclear technology and nuclear doctrines has increased the likelihood of a nuclear war.

However, Finland's defense capability cannot be shaped with an eye to a nuclear war. Instead we should work further on the idea of credible guarantees against the use and the threat of use of nuclear arms against nuclear-free countries.

Nevertheless we should continue to pay attention to the question of protecting the population against the effects of nuclear arms.

As far as the controversial cruise missiles are concerned, the initial outcry seems to have cooled. The only problem with them from our viewpoint is that, low-flying as they are, they would violate our air space if their trajectory should cross our territory, and it is our duty therefore to try to shoot them down.

And this is easier said than done. Not because they are difficult to hit--on the contrary, they are quite slow--but because they are difficult to detect by radar.

The committee urges the defense establishment, as defensive systems are developed, to complement our surveillance and defensive systems within our capabilities, chiefly by extending existing methods and material.

CSO: 3109

DEFENSE COMMITTEE WANTS 'MAJOR INVESTMENT' IN LAND FORCES

LD161521 Helsinki HUVVUDSTADSBLADET in Swedish 6 Mar 81 p 4

[Editorial: "Backing Land Forces"]

[Text] The Third Parliamentary Defense Committee which yesterday presented its recommendations has been forced to work in a much harsher climate than its predecessors. Even the review of the state of affairs on the stage of world politics which traditionally forms the first part of the recommendations shows how global developments at the end of the seventies and the beginning of the present decade have moved in the direction of greater tension both between the superpowers and also around local crisis points on the globe.

Efforts for detent are no longer riding the crest of a wave as they were a few years ago. And, even though it is a positive fact that the European nations still adhere in principle to the detente line, and even though it can be said that the situation in the Nordic community, despite the increased interests of the superpowers in the northern areas especially, has nevertheless remained relatively stable on the whole, all too many worrying factors still remain which create great uncertainty when facing the future.

One such factor is the nuclear sector. The arrival on the scene of new medium-range missiles, of cruise missiles and altered doctrines which seem to lower the nuclear threshold, brings with it a growing threat of the catastrophe which everyone still says they want to avoid. For our part, this throws into relief our endeavors to minimize these risks in our part of the world as far as it is in our power to do so.

Of course, all this has amounted to a challenge to the committee, whose task this time was not only to put forward concrete proposals for a review of our defenses in the next 5-year period, but also to stake out guidelines for the next 15 years, into the nineties. In addition to all this, the dominant political constellations in Finland's domestic politics, primarily the extreme left's generally sharpened attitudes, but also to some extent the Social Democrat's new profile on the defense questions, has complicated the efforts to achieve as broad a political agreement as possible on the solutions which should be recommended, in other words to reach the practical consensus which has been one of the chief achievements in the previous

committees. Last but not least, national budget difficulties have in fact imposed an even tighter framework for the committee's economic freedom of movement than was the case during the crisis-ridden seventies.

In the light of this it must nevertheless be considered positive that the committee has been able to reach a remarkable degree of unanimity on the main direction for the defense forces' development in this period. In recent years the largest part of purchasing resources has gone to cover the needs of the air force, but to some extent also those of the navy. These two defense branches together with the frontier guards are responsible even in peacetime for surveillance and protection against violation of our territory and airspace. It is therefore of considerable importance that they--apart from a few gaps--can now largely be considered to fulfill their tasks in a satisfactory way.

During 1982-1986, however, it will be time, in the committee's view--which as far as we can see is correct--to give priority to land combat forces. If we weigh our resources and abilities against the different types of crisis which seem probable in our case, it is, according to the committee's argument, obvious that the aim ought primarily to be improved capacity to repulse aggression of a limited, conventional type. This puts the main burden on an effective land defense force, suited to this purpose.

However, the rapid rate of development in arms technology has led to an arms level in our land combat forces which has fallen considerably behind and thus weakened the troops' performance level. firepower, mobility, field command systems, antitank and antiaircraft missiles all need thorough modernization. It is here that the committee wants to make the major investments. Its goal is to train and equip by 1990 the so-called protective troops to a maximum strength of 250,000 men, fully equal to tasks corresponding to present requirements. The committee has settled for this solution because it is obviously realistic in expecting that resources will not be sufficient to raise armament levels for the whole of the large reserve force--at present around 700,000 men.

The committee itself explains that this decision has been a central issue in all the plans. We must therefore assume that it has made its choice having taken account of defense suitability balanced against the economic investments which our resources allow. From the layman's viewpoint it is of course difficult to make 100-percent certain pronouncements on the correctness of this judgment. However, there is much to indicate that the solution is rational and reasonable.

For the navy the committee envisages a permanent coastal defense in the Gulf of Finland, where modernization will continue at a somewhat swifter rate. The responsibility for repulsing aggressors at the Gulf's mouth and around Aaland will be given to the navy, whose outdated units will be replaced by modern, swift, missile-equipped so-called combat vessels in the coming period. It is possible to ask in this context whether Aaland still has much strategic interest. Experiences from past wars and crises are unanimous in pointing in another direction.

One of the most controversial questions in the committee was that of the Third Hunter Jet Wing, which was also discussed by the two previous defense committees. The

argument used to justify it is the need for effective aircraft surveillance of southwest Finland in peacetime too. The argument was rejected by several representatives of the left, who described the wing as an example of expensive rearmament and considered that equally good but considerably cheaper results could be achieved through a redistribution of available air force strength. This opposition forced a compromise for a half a wing stationed at Birkala Field, which will be expanded and made into a modern air base. Like all half-measures, it hardly satisfies either side. But at least it gives us the opportunity to take a step forward in the plans for the third wing--something which we for our part find a well-founded move.

Another bone of contention was the economic framework for the coming 5-year period. Here too a compromise was reached, and it will mean an annual real-term increase in defense spending of 3.8 percent--as opposed to a proposed 5-percent increase in the defense forces' basic alternative. This is somewhat higher than the estimated average increase in GNP or around 3 percent. However, when we remember that the defense forces' share of total GNP will remain at 1.5 percent--the lowest figure in Europe--we can hardly be accused of speeding up the arms race in the world.

To sum up, it is possible to say that it was something of a feat that the committee, against the odds it had to fight, has produced such a well-balanced recommendation. There is an indirect indication of how problematical antagonisms have been when the committee, unlike its predecessors, refrains from proposing a timetabled continuation within a fourth Defence Committee. It is true that the outlines of a more long-term plan have now been roughly sketched. They will of course require more detailed investigation in the future. But it is certainly wise to first wait and see how the concrete proposals for 1982-1986 are received by the parliament, given the present parliamentary climate.

The third Defence Committee has at least pointed to a feasible path toward the goal of continuing to insure cover for the thesis that Finland itself carries the main weight of responsibility for its defense. The question now is whether the politicians are sufficiently willing to follow this path. And the answer to this question will also decide what may happen with defense committees further into the future.

EDITORIAL CRITICIZES IRRESPONSIBLE REPORTING

Athens | KATHIMERINI in Greek 24 Feb 81 p 5

[Text] KATHIMERINI will abandon neither the objectivity nor the dialogue because it considers both to be absolute prerequisites in order to accurately evaluate events and facts and, consequently, to point out suitable solutions and to make correct decisions. Firmly believing that the philosophy of the whole truth is not related to democracy, that the belief in the truth through revelation lies only within the sphere of certain religions, and that the aphoristic monologues distort the truth and serve only their natural creator: emotion, we will not cease reporting with objectivity and dialogue. And with their legitimate offspring: composure and responsibility.

In the stock exchange of current events, this commodity does not always command the best price. At times, when emotion begins to extend to the forefront of our public life and absurdity with fanaticism compete as to which will distort the facts more and bury responsibility deeper, commodities such as composure and dialogue are undervalued and discarded, their places being taken by fanatical frenzy and irresponsible monologue. And then, in place of the beautiful and useful dialogue of responsibility and objectivity, we have the harmful dialogue of thoughtlessness and emotion, and instead of rationality and common sense, we have irresponsibility and fanaticism. To be sure, all this has its price, literally and figuratively, in the present and in the future. And, unfortunately, a very high price has actually been paid for them in the past. And yet, more unhappily, it does not appear that we keep that clearly in mind. What will happen? It appears that the wise man was right who said that, if history teaches anything, it is that it teaches nothing and nobody. The mind appears to be less powerful than the psychological functions of peoples and individuals...

Three events have recently captured for days the front pages of the newspapers and, as a result, the greater part of public interest: the funeral of Frederica, the bills of the DEI [Public Power Corporation], and the fiasco of the American soldiers in Drama. The first has come to an end, the second is about to be resolved, and the third did not last but created crises and reactions.

It is natural that all appraisals and judgments concerning these three

events should not be in accord; the differences in judgments and appraisals can be found within the essence of democracy and, when they do not exist, it means that there is less democracy. But when the distortion of the facts is evident, how much democracy can there be? We do not claim the role of appraiser; on the other hand, the Catos heard the accusations of the judge far more often than the applause of the crowd. But we do not lack Catos inasmuch as they are our political leaders and this is their main function - the role of appraiser - which differs from that of the self-styled appraisers because it is performed with a sense of responsibility, while the self-appointed and self-styled appraisers can act without feeling and without responsibility.

The three events of recent days to which we referred at the beginning: the one which came to an end (Frederica's funeral), that which is continuing (the DEI bills), and that which did not last, but resulted in crises and reactions (the fiasco of the American soldiers in Drama), are a criterion, defective as it may be, of the degree in which the role of responsibility is performed, of the manner in which public opinion is finally shaped by individuals who contribute to its shaping and of the ratio of responsibility which each of these individuals undertakes without authority or relinquishes when he has such authority.

And were we speaking in more concrete language, we might ask ourselves, "Does our political leadership, all our political leadership, everyone of them, feel that it performs its responsible duty towards that portion of the people who follow it, does it withdraw, almost in silence, behind the curtain of the noisy stage and allow irresponsibility to go rampant on subjects as important as national defense and peace of the land?"

It may be useful not to forget that the characteristic of air, which as physics demonstrates, tends to fill every vacuum, is valid also in the shaping of public opinion, where irresponsibility tends to fill every vacuum left by the political leadership responsible for it. And this may help demagoguery but indeed damages, dangerously, both political leadership and democracy. Because, while the air will be displaced as soon as something solid is set in its place, demagoguery will not be removed once it has become established in our political scene. And for this the country has paid dearly...

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LIBERAL NEWSPAPER VIEWS STATUS OF NORDIC COOPERATION

LD121509 Stockholm DAGENS NYHETER in Swedish 4 Mar 81 p 2

[Editorial: "Usefulness of the Nordic Community"]

[Text] Is Nordic cooperation entering a crisis? Is the Nordic Council a paper tiger or in fact a paper mill [papperskvarn--Swedish idiom for "red tape"]? The questions present themselves after 2 days of general debate in Copenhagen, where the Nordic Council is meeting at the moment. This is the 29th year that there has been a council meeting since the start in 1953.

Many speakers from the five Nordic states--from the ranks of the parliamentarians in the council and the many guesting ministers--seemed to see themselves more as reporting bookkeepers supposed to give an account of the last year's Nordic dealings than as involved debaters and idea-givers, involved in the Nordic arena.

This means that it is hardly surprising that Nordic cooperation is marking time, perhaps being adjusted a little here and expanded a little there. Several council committees have also declared their dissatisfaction with the fact that the governments have done so little concrete.

To cap it all the council of ministers, the governments' cooperation body, is planning a tight budget for 1982, which could mean cuts. There is no really strong Nordic impetus in politics at the moment. However, it is needed more badly now than in a long time.

On the foreign policy horizon the clouds are gathering over Europe, not least over the Nordic area. And in economics is it not only a slump which is threatening. It is becoming increasingly difficult for small industrial nations like the Nordic ones to pursue an independent welfare policy.

It is easy to dismiss the Nordic Council as a one-eyed phenomenon. The council can only give recommendations to governments. It is also easy to point out that all the grand plans for Nordic ventures have failed: the Defense League, the Tariff Union, Nordek [Nordic Economic Community].

But, as the host country's Prime Minister Anker Joergensen put it during the debate, Nordic cooperation is characterized more by common views than joint action. Despite the fact that the Nordic countries are not entirely similar on any one single point,

there is closeness in thought, life style and social organization which is striking. It is the vast amount of work on tiny details rather than the large projects which has brought the five states and peoples ever closer to each other in the last 30 years.

A free labor market which has gradually been extended, enormous reciprocal trade, passport-less travel, the right to enjoy social benefits when working in another Nordic country--all these are examples of a Nordism which means a lot for the individual. The 1976 environmental protection convention was recently cited by Sweden to stop a planned major coal-fired power station in Copenhagen. At this year's session the Nordic Council will adopt a language convention which will give inhabitants of the Nordic countries the right to use their own language in dealings with the authorities.

Thus Nordic cooperation has been far from without result, if we take the 30-year perspective. But at present the Nordic machinery is idling. A clear direction is lacking. Even though the council of ministers is able to point out that the Nordic countries are concentrating on two areas--the Nordic countries as home market and the role of technology in the future.

The energy ministers have drawn up a cooperation program and the prime ministers are meeting more often. But this is all show if no tangible results can be demonstrated.

The bureaucratization of Nordic cooperation has also been criticized. But the approximately 300 civil servants and the approximately 150 millions [presumably Swedish kronor] in the budget are small beer in comparison with what the EEC has inflicted on itself. The Nordic administration is comparatively cheap and effective.

In one of the general debate's few riveting speeches Norwegian Storting President and Nordic expert Guttorm Hanser called for a revitalization of the Nordic Council. He wanted to see closer cooperation between parties or similar political color, greater efforts on the part of the governments, but also a drastic change in the council's own work--to concentrate on fewer but more important questions and swiften decisions.

Finnish Prime Minister Mauno Koivisto agreed about the change in the council's work. And Sweden's Svante Lundkvist, the former Social Democratic agriculture minister, wanted to see the introduction of an overall Nordic perspective. The point of departure ought to be a Nordic community seen as a single country, he said.

This could be a fruitful way of arranging a number of proposals. But there is a but. The Nordic community is not a single unit. The fact that it is not so in the security policy respect is an established fact--and this is the reason why this field lies outside the Nordic Council's traditional area of work.

Nevertheless, at every council session in recent year's foreign policy has been discussed. Quite understandably, said the Danes, Prime Minister Anker Joergensen and his former Foreign Minister K. B. Andersen. Mauno Koivisto was even able to envisage the possibility of a special debate on foreign policy. Swedish left party

communists leaders Lars Werner put forward an interesting idea--organizing a Nordic symposium nuclear-free zones. This should be able to cause more than a few skirmishes at the Nordic Council's session themselves.

But a more important consideration is that Denmark is being drawn into the EEC more and more and will thus have growing difficulty in participating in close economic cooperation in the Nordic community. For this reason there is the possibility of cooperation between two or three countries--as several speakers stressed, including Swedish and Norwegian prime ministers Thorbjørn Færevold and Gro Harlem Brundtland. They are themselves at present busy with the final discussions for a broad Norwegian-Swedish energy and industry agreement. It will be possible to admit further countries to this agreement, and the prime candidate here is Finland.

Cooperation on energy must be the backbone of Nordic cooperation in the eighties. Denmark does not have to remain outside this completely--the Danish gas agreement is an example of this. But when Nordic industrial cooperation is deepened Denmark will have to resign itself to standing on the sidelines.

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